





ENDEAVOUR MINING

PROSPECTUS

THE WEST AFRICAN OPPORTUNITY



This document comprises a prospectus (the "**Prospectus**") relating to Endeavour Mining plc (the "**Company**") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the "**FCA**") made under Section 73A of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**").

This Prospectus has been filed with, and approved by, the FCA (as competent authority under Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) and will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018, and such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The directors of the Company, whose names appear on page 43 of this Prospectus (the "**Directors**"), and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus make no omission likely to affect their import.

Investors should read this Prospectus in its entirety. See Part 1 (*Risk Factors*) for a discussion of certain risks and other factors relating to the Company and its subsidiaries and subsidiary undertakings (the "**Group**" or "**Endeavour Mining**") that should be considered prior to any investment in the Shares.

The distribution of this Prospectus in certain jurisdictions other than the UK may be restricted by law. No action has been or will be taken by the Company to distribute this Prospectus (or any other publicity materials relating to the Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus nor any advertisement nor any other publicity material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.



Endeavour Mining plc

(incorporated under the Companies Act 2006 and registered in England and Wales with registered number 13280545)

Admission to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange

This Prospectus has been prepared in connection with a scheme of arrangement pursuant to section 86 of the Cayman Companies Act to establish the Company as the parent company of the Group and has been prepared on the assumption that the Scheme will become effective in accordance with its current terms. A summary of the Scheme and related proposals are set out in paragraph 4 of Part 17 (*Additional Information*) of this Prospectus.

Application will be made to the FCA for all of the ordinary shares of the Company (the "**Shares**") to be admitted to the premium listing segment of the Official List of the FCA and to London Stock Exchange plc (the "**London Stock Exchange**") for all of the Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (the "**Main Market**") (together, "**Admission**"). It is expected that Admission will become effective, and that dealings in the Shares will commence, at 8am on Monday 14 June 2021. An application will also be made to the Toronto Stock Exchange for the admission of the Shares to listing and posting for trading on the Toronto Stock Exchange.

Investors should only rely on the information contained in this Prospectus. No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors or any other person involved in the Admission. In particular, unless otherwise stated, the contents of the Group's website, the contents of any website accessible from hyperlinks on such website or any other website referred to in this Prospectus do not form part of this Prospectus and investors should not rely on them. Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA and Rule 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date of this Prospectus or that the information in it is correct as of any time after the date of this Prospectus. The Company will comply with its obligation to publish supplementary prospectuses containing further updated information as required by law or by a regulatory authority and, in particular, its obligations under the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules (as appropriate) but assumes no further obligation to publish additional information.

This Prospectus is not for distribution into the United States.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Sponsor

Barclays

Dated 9 June 2021

NOTICE TO INVESTORS IN THE UNITED STATES

The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or under the securities laws of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

NOTICE TO INVESTORS IN CANADA

This Prospectus is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada. This Prospectus does not constitute an offer to the public of the securities described herein, including in any province or territory of Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of these securities, and any representation to the contrary is an offence. Information in this Prospectus has not been prepared with regard to matters that may be of particular concern to Canadian shareholders and accordingly, should be read with this in mind. All monetary amounts used in this Prospectus are stated in a foreign currency. The securities described herein are not denominated in Canadian dollars. The value of the securities to a Canadian shareholder, therefore, will fluctuate with changes in the exchange rate between the Canadian dollar and the currency of the securities. Canadian shareholders are advised to consult their own tax advisors with respect to the Canadian and other tax considerations applicable to them.

The Company is incorporated under the laws of and registered in England and Wales. A majority of the Directors of the Company and the experts named in this Prospectus are residents of countries other than Canada and all or a substantial portion of their respective assets are located outside of Canada. As a result, it may not be possible to satisfy a judgment against the Company and those persons in Canada or to enforce a judgment obtained in Canadian courts against those persons outside of Canada.

NOTICE TO OVERSEAS INVESTORS

The distribution of this Prospectus and/or the transfer of Shares in certain jurisdictions may be restricted by law. No action has been or will be taken by the Company to permit a public offering of the Shares under the applicable securities laws of any jurisdiction. Other than in the United Kingdom, no action has been taken or will be taken to permit the possession or distribution of this Prospectus (or any other offering or publicity materials relating to the Shares) in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other publicity material may be distributed or published in any jurisdiction, other than in the United Kingdom, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Barclays Bank PLC, acting through its Investment Bank ("**Barclays**" or the "**Sponsor**"), which is authorised by the Prudential Regulatory Authority (the "**PRA**") and regulated in the United Kingdom by the PRA and the FCA, is acting exclusively for the Company and no one else in connection with the arrangements described in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Barclays nor for providing advice in relation to the arrangements referred to in this Prospectus or any other matter referred to in this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Barclays by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of Barclays or any of its subsidiaries, branches or affiliates accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Shares or Admission, or the arrangements described in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect. Each of Barclays and its subsidiaries, branches and affiliates accordingly disclaim to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this Prospectus or any such statement or otherwise.

Barclays and/or any of its subsidiaries, branches and affiliates acting as an investor for its or their own account(s) may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in Shares, any other securities of the Company or other related investments. Barclays does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. Barclays and any of its subsidiaries, branches and affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and/or other services for, the Company which they would have received customary fees. Barclays and any of its subsidiaries, branches and affiliates may provide such services to the Company and/or any of its representatives and/or affiliates in the future. In addition, Barclays and any of its subsidiaries, branches and affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors, in connection with which Barclays and any of its subsidiaries, branches and affiliates may from time to time acquire, hold or dispose of Shares.

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A-E (A.1–E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

SECTION A—INTRODUCTION AND WARNINGS	
A.1.1	***Name and international securities identifier number (ISIN) of the securities*** Ordinary shares of U.S.$0.01 each in the capital of Endeavour Mining plc (the "**Shares**") which, when admitted to trading, will be registered with ISIN number GB00BL6K5J42.
A.1.2	***Identity and contact details of the issuer, including its Legal Entity Identifier ("LEI")*** The registered office and principal place of business of Endeavour Mining plc (the "**Company**") is at 5 Young Street, London W8 5EH, United Kingdom. The Company's telephone number is +44 203 011 2719 and its legal entity identifier number is 529900NI5MXQ91GHXR07.
A.1.3	**Identity and contact details of the competent authority approving the prospectus** This Prospectus has been approved by the Financial Conduct Authority (the "**FCA**"), as competent authority, with its head office at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number: +44 (0)20 7066 1000, in accordance with Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018.
A.1.4	***Date of approval of the prospectus*** This Prospectus was approved on 9 June 2021.
A.1.5	***Warning*** This summary should be read as an introduction to the prospectus (the "**Prospectus**"). Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Any investor could lose all or part of the invested capital and, where the investor's liability is not limited to the amount of the investment, it could lose more than the invested capital. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, and applied its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
SECTION B—KEY INFORMATION ON THE ISSUER	
B.1	***Who is the issuer of the securities?***
B.1.1	*Domicile, legal form, LEI, jurisdiction of incorporation and country of operation* The Company is a public limited company limited by shares with registered number 13280545, incorporated on 21 March 2021, with its registered office situated in England and Wales. The

	Company principally operates under the Companies Act 2006 and the regulations made thereunder. The Company's LEI number is 529900NI5MXQ91GHXR07.
B.1.2	*Principal activities* We are a multi-asset gold producer focused on West Africa. Our assets include the Ity Mine in Côte d'Ivoire, the Boungou, Houndé, Karma, Mana and Wahgnion Mines in Burkina Faso, and the Sabodala-Massawa Mine in Senegal. We also have four development projects, Fetekro, Kalana, Bantou and Nabanga and a strong portfolio of exploration assets on the highly prospective Birimian Greenstone Belt across Burkina Faso, Côte d'Ivoire, Mali, Senegal, Niger and Guinea. With our technical and management teams based in proximity to our mines and our senior management team spending significant time in the countries in which we operate, we have established a proven track record of successful exploration, project development and operational management in the Birimian Greenstone Belt. Over the last five years, we have strategically repositioned ourselves as a leading West African gold producer, and have reshaped our asset portfolio, through both organic development and through acquisitions and disposals. In July 2020, we completed the acquisition of SEMAFO, which added the Boungou and Mana mines to our portfolio. In February 2021, we completed the acquisition of Teranga, adding the Sabodala-Massawa and Wahgnion mines to our portfolio.
B.1.3	*Major shareholders* As far as the Company is aware, as at 7 June 2021, being the latest practicable date prior to the publication of the Prospectus (the "**Last Practicable Date**"), the following persons will hold the following direct or indirect interests (within the meaning of the Companies Act 2006) in 3 per cent. or more of the issued share capital of the Company immediately following admission of the Shares to listing on the premium listing segment of the Official List and to trading on the main market for listed securities (the "**Main Market**") of the London Stock Exchange ("**Admission**"):

	Immediately following Admission	
Shareholders	**Total number of Shares immediately following Admission**	**% of issued share capital of the Company immediately following Admission(1)**
La Mancha	48,228,223	19.3
Tablo Corporation	15,578,307	6.2
BlackRock Investment Management (UK) Ltd.	31,712,936	12.7
Van Eck Associates Corporation	23,967,000	9.6

Note:

(1) The percentages of the issued share capital of the Company following Admission has been stated on the basis that Admission has become as effective as proposed in this Prospectus and that there will be no changes to the issued share capital of Endeavour Mining Corporation ("**Old EDV**") between the Last Practicable Date and the time at which the scheme of arrangement between Old EDV and its shareholders proposed to be made under section 86 of the Cayman Companies Act pursuant to which all of the issued and outstanding share capital of Old EDV would be transferred to the Company (the "**Scheme**") becomes effective in accordance with its terms, expected to be 11 June 2021, other than the cancellation of shares held by Old EDV as at the Last Practicable Date for cancellation prior to such date, and no issuances of Shares by the Company other than pursuant to the Scheme.

The Shares owned by the major shareholders listed above rank pari passu with the other Shares in all respects.

B.1.4	*Key managing directors* The Company's Chief Executive Officer is Sébastien de Montessus and its Chief Financial Officer is Joanna Pearson.
B.1.5	*Identity of the statutory auditors* The statutory auditors of the Company and its subsidiaries and subsidiary undertakings (the "**Group**") for the periods covered by the historical financial information set out in this Prospectus are (i) BDO LLP, who reported on the statutory accounts for the year ended 31 December 2020, and whose registered address is at 55 Baker Street, London W1U 7EU, United Kingdom and

(ii) Deloitte LLP (Canada), who reported on the statutory accounts of the Group (excluding the Company) for the years ended 31 December 2019 and 2018, and whose registered address is at 939 Granville Street, Vancouver, British Columbia, V6B 1L3 Canada.

B.2 ***What is the key financial information regarding the issuer?***

The tables below set out the selected historical consolidated financial information for the Group for the periods indicated, as reported in accordance with International Accounting Standards as adopted by the United Kingdom ("**IFRS** "). The historical financial information for the Group as at and for each of the three years ended 31 December 2018, 2019 and 2020 has been extracted without material adjustment from Section B of Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*). The historical financial information as at and for the three months ended 31 March 2020 and 2021 has been extracted without material adjustment from Part 13 (*Unaudited Historical Financial Information of the Group for the three months ended 31 March 2020 and 2021*).

Selected financial information

Consolidated Statement of Comprehensive Earnings/(Loss)

The following table presents certain information from our Consolidated Statement of Comprehensive Earnings/(Loss) for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
			(in thousands of U.S.$)	(unaudited)	
Revenues					
Revenue	571,701	694,848	1,424,111	226,321	635,792
Cost of Sales					
Operating expenses	(290,367)	(345,817)	(574,791)	(96,092)	(251,112)
Depreciation and depletion	(135,650)	(152,488)	(260,562)	(42,928)	(122,611)
Royalties	(34,307)	(40,558)	(98,722)	(15,119)	(44,366)
Earnings from mine operations	**111,377**	**155,985**	**490,036**	**72,182**	**217,703**
Corporate costs	(26,573)	(20,620)	(23,747)	(5,231)	(11,409)
Acquisition and restructuring costs	—	(4,552)	(39,845)	(4,330)	(12,160)
Impairment of mining interests	—	(127,380)	(64,506)	—	—
Share-based compensation	(24,931)	(21,042)	(18,767)	(1,623)	(7,955)
Exploration costs	(7,621)	(9,893)	(4,937)	(1,333)	(9,810)
Earnings/(loss) from operations	**52,252**	**(27,502)**	**338,234**	**59,665**	**176,369**
Other income/(expense)					
Gain/(loss) on financial instruments	10,654	(56,380)	(78,690)	(2,699)	42,077
Finance costs	(23,293)	(42,446)	(48,832)	(11,503)	(12,318)
Other (expense)/income	(241)	(8,515)	9,257	1,935	(6,290)
Earnings/(loss) before taxes	**39,372**	**(134,843)**	**219,969**	**47,398**	**199,838**
Current income tax expense	(63,588)	(46,745)	(122,594)	(19,006)	(72,148)
Deferred income tax (expense)/ recovery	(170)	21,614	36,497	(907)	(8,688)
Net comprehensive (loss)/ earnings from continuing operations	**(24,386)**	**(159,974)**	**133,872**	**27,485**	**119,002**
Net comprehensive (loss)/ earnings from discontinued operations	(113,349)	18,814	(21,803)	7,978	(3,702)
Net comprehensive (loss)/ earnings	**(137,735)**	**(141,160)**	**112,069**	**35,463**	**115,300**

Consolidated Statement of Financial Position

The following table presents certain information from our Consolidated Statement of Financial Position as at the dates indicated.

	As at 31 December			As at 31 March
	2018	2019	2020	2021
				(unaudited)
	(in thousands of U.S.$)			
Total assets	1,922,043	1,872,791	3,881,717	6,985,299
Total liabilities	977,710	1,056,294	1,635,537	2,579,131
Total equity	944,333	816,497	2,246,180	4,406,168
Total equity and liabilities	1,922,043	1,872,791	3,881,717	6,985,299

Consolidated Statement of Cash Flows

The following table presents certain information from our Consolidated Statement of Cash Flows for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of U.S.$)				
Operating Activities					
Earnings/(loss) from continuing operations before taxes	39,372	(134,843)	219,969	47,398	199,838
Cash generated from operating activities	250,919	301,885	748,928	125,955	197,935
Cash generated (used by)/ from investing activities	(453,319)	(251,526)	(160,111)	(57,234)	(105,273)
Cash generated from/ (used by) financing activities	204,467	15,124	(70,714)	99,594	64,613
Cash and cash equivalents, end of period	124,022	189,889	644,970	357,343	868,195

Accountant's report on the historical financial information

There are no qualifications in BDO LLP's accountant's report on the historical financial information of the Group as at and for each of the three years ended 31 December 2018, 2019 and 2020.

Selected pro forma statement of comprehensive income

The unaudited pro forma statement of comprehensive income included in Part 16 (*Unaudited Pro Forma Financial Information*) has been prepared to reflect the acquisition of Semafo, which took place on 1 July 2020, and the acquisition of Teranga, which took place on 10 February 2021 as if both those acquisitions had occurred on 1 January 2020, together with the costs associated with Admission. As Teranga is fully consolidated into the unaudited consolidated statement of financial position of the Company as at 31 March 2021, no pro forma statement of net assets is provided.

The unaudited pro forma statement of comprehensive income, which has been produced for illustrative purposes only, by its nature addresses a hypothetical situation, and, therefore, does not represent the Group's actual financial position or results.

The unaudited pro forma financial information has been compiled on a basis consistent with the accounting policies of the Group used to prepare its audited consolidated financial statements for the year ended 31 December 2020 on the basis of the notes to the unaudited pro forma statement of comprehensive income and in accordance with section 18.4.1 of Annex 1 and section 3 of Annex 20 to the Prospectus Delegated Regulation.

B.3	***What are the key risks that are specific to the issuer?*** • Our business operations, profitability and long-term viability may be significantly affected by changes in the market price of gold. The price of gold has historically fluctuated significantly and is affected by numerous factors beyond our control. • Maintaining or increasing present levels of gold production is dependent on the successful development of new producing mines and/or identification of additional reserves at existing mining operations. No assurance can be given that the intended or expected production estimates will be achieved by our operating mines or in respect of any future mining operations in which we own or may acquire interests. • Our activities at our mining assets are subject to numerous development and operating risks and hazards normally associated with natural resource projects, many of which are beyond our control. These risks include, among others, unanticipated variations in grade and other geological problems, seismic activity, climatic conditions such as flooding, metallurgical and other processing problems, industrial accidents, force majeure factors, sabotage, cost overruns, fire, explosions, vandalism, political violence, terrorism and crime. These risks could result in injury or death, environmental damage, damage to, or destruction of, mineral properties, production facilities or other properties, mining or production delays, monetary losses, potential legal liability or our assets could incur increased costs of operations, or prolonged disruption or inoperability. • Our mineral reserves and resources are estimates based on assumptions, regarding, among other things, our costs, expenditures, commodity prices, exchange rates, metallurgical and mining recovery assumptions, which may prove inaccurate due to a number of factors. There are numerous uncertainties inherent in estimating quantities of mineral reserves and resources and in projecting potential future rates of gold production, including many factors beyond our control, and such estimates should not be interpreted as assurances of mine life or of the profitability of current or future production. • We are subject to a number of laws and regulations, including environmental, health and safety standards which are likely to become more stringent over time and may be subject to unforeseen changes. • We are subject to geopolitical and other risks associated with operating in West Africa, including safety and security risks and lack of adequate infrastructure.
SECTION C—KEY INFORMATION ON THE SECURITIES	
C.1	***What are the main features of the securities?***
C.1.1	*Type, class and ISIN* On Admission, there will be 250,475,410 Shares (all of which will be fully paid or credited as fully paid) in issue. When admitted to trading, the Shares (which are ordinary shares) will be registered with ISIN number GB00BL6K5J42 and SEDOL number BL6K5J4. The Shares will be traded on London Stock Exchange's Main Market under the symbol "EDV" and on the Toronto Stock Exchange under the symbol "EDV".
C.1.2	*Currency, denomination, par value, number of securities issued and duration* The currency of the Shares is United States Dollars. As at the date of this Prospectus, the issued share capital of the Company is £50,000, comprising 50,000 subscriber shares of £1.00 each. Immediately following Admission, the issued share capital of the Company is expected to be the aggregate of U.S.$2,504,754.10, comprising 250,475,410 Shares (all of which being fully paid or credited as fully paid), and £50,000, comprising 50,000 deferred shares of £1.00 each (the "**Deferred Shares**"). The Deferred Shares will not carry any voting rights or economic rights, other than a right to a return of capital on a winding-up subject to a maximum of the paid-up

	capital on the Deferred Shares. It is intended that all of the Deferred Shares will be cancelled as part of a reduction of capital of the Company scheduled to take place after Admission and on or around 29 June 2021 and the capital returned to Old EDV as the holder of the Deferred Shares.
C.1.3	*Rights attaching to the Shares* The rights attaching to the Shares will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company. On a show of hands every holder of Shares (each, a "**Shareholder**") who is present in person shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per Share. Except as provided by the rights and restrictions attached to any class of shares, Shareholders will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings.
C.1.4	*Rank of securities in the issuer's capital structure in the event of insolvency* The Shares do not carry any rights as respects to capital to participate in a distribution (including on a winding-up) other than those that exist as a matter of law.
C.1.5	*Restrictions on transfer* There are no restrictions on the free transferability of the Shares.
C.1.6	***Dividend policy*** The Directors intend to adopt a minimum progressive dividend policy, which will target distribution of at least U.S.$500 million over the next three years, assuming the gold price remains above U.S.$1,500/oz. Minimum dividends are expected to be U.S.$125 million for financial year 2021, U.S.$150 million for financial year 2022 and U.S.$175 million for financial year 2023. The Company's dividend policy will be based on its capital allocation policy and its strategy of maximising long-term shareholder value, with future dividends expected to be declared on a semi-annual basis. The Company may revise its dividend policy from time to time. The Company has not traded since incorporation and, as at the date of this Prospectus, does not have any distributable reserves. Following Admission, the Company intends to undertake a capital reduction in order to create profits available for distribution by the Company (also known as "distributable reserves"). These distributable reserves may be used to support the payment of dividends (and any potential share repurchases) by the Company in the future.
C.2	***Where will the securities be traded?*** Application will be made (i) to the FCA for all of the Shares, issued and to be issued, to be admitted to the premium listing segment of the Official List of the FCA and (ii) to the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's Main Market. Application will also be made to the Toronto Stock Exchange for all Shares, issued and to be issued, to be admitted to listing and posted for trading on the Toronto Stock Exchange.
C.3	***What are the key risks that are specific to the securities?*** • Shares in the Company may be subject to market price volatility and the market price of the Shares in the Company may decline disproportionately in response to developments that are unrelated to the Company's operating performance. • The current value of Old EDV Shares cannot be taken as indicative of the likely development of the market and future demand for the Shares. • The issuance of additional Shares in the Company in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.

SECTION D—KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET	
D.1	***Under which conditions and timetable can I invest in this security?*** It is expected that Admission will become effective, and that dealings in the Shares will commence on the London Stock Exchange, at 8.00 a.m. (London time) on 14 June 2021. Settlement of dealings from that date will be on a two-day rolling basis. The earliest date for such settlement of such dealings will be 16 June 2021. It is expected that the admission of the Shares to listing and posting for trading on the Toronto Stock Exchange will become effective and that dealings in the Shares will officially commence on the Toronto Stock Exchange on or around 16 June 2021 at 9.30 a.m. (Toronto time). There are no commissions, fees or expenses to be charged to investors by the Company in relation to the issue of the Shares.
D.2	***Why is this prospectus being produced?*** This document does not constitute an offer or invitation to any person to subscribe for or purchase any shares in the Company. It has been prepared in connection with the application to (i) the FCA for all of the Shares, issued and to be issued, to be admitted to the premium listing segment of the Official List of the FCA and (ii) to the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's Main Market.

PART 1
RISK FACTORS

In addition to the other information contained in this Prospectus, you should carefully consider the following risk factors before purchasing any Shares. The risks and uncertainties we describe below are not the only ones we face. Additional risks and uncertainties of which we are not aware or that we currently believe are immaterial may also adversely affect our business, financial condition and results of operations. If any of the possible events described below were to occur, our business, financial condition and results of operations could be materially and adversely affected. This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this Prospectus.

Any investment in the Shares is subject to a number of risks. Prior to investing in the Shares, prospective investors should carefully consider the risk factors associated with any investment in the Shares, the Group's business and the industry in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below.

Prospective investors should note that the risks relating to the Group, its industry and the Shares summarised in the section of this Prospectus headed "Summary" are the risks that the Directors and the Company believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed "Summary" but also, among other things, the risks and uncertainties described below.

The risk factors described below are not an exhaustive list or explanation of all risks which investors may face when making an investment in the Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Group currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects, if any such risk should occur, the price of the Shares may decline and investors could lose all or part of their investment. An investment in the Shares involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other advisor) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Investors should consider carefully whether an investment in the Shares is suitable for them in the light of the information in this Prospectus and their personal circumstances.

None of the statements made in this Part 1 (Risk Factors) in any way constitutes a qualification of the working capital statement contained in paragraph 21 (Working capital) of Part 17 (Additional Information) of this Prospectus.

External Risks Relating to Our Business

Our business is highly dependent on, and sensitive, to the price of gold.

Our business operations, profitability and long-term viability may be significantly affected by changes in the market price of gold. The price of gold has historically fluctuated significantly, and is affected by numerous factors beyond our control, including, without limitation, sales and purchases of gold, forward sales of gold by producers and speculators, world supply of gold, stability of exchange rates (in particular, the relative strength of the U.S. dollar versus other currencies), global and regional political and economic conditions or events, industrial and retail demand, sales by central banks and other holders, U.S. interest rates and inflation expectations, global gold production, ETF demand and cost levels in major gold producing regions such as China, Russia and Australia and speculator and producer responses to any of the foregoing factors. Serious price declines in the market value of gold could render our assets uneconomic. There is no assurance that, even as commercial quantities of gold and other precious metals are produced, a profitable market will exist for them. There can be no assurance that the market price of gold will remain at current levels or that such price will improve. A decrease in the market price of gold could adversely affect the profitability of our existing mines and projects, our balance sheet and financial health, our ability to pay a dividend to shareholders or otherwise return capital to them, as well as our ability to finance the exploration and development of additional assets.

The market price for gold has been and continues to be volatile. During 2018, the market spot gold price traded from a high of U.S.$1,360 per ounce in January 2018 to a low of U.S.$1,177 per ounce in September 2018,

with the price never trading above U.S.$1,300 per ounce after mid-May. In 2019, the market spot gold price traded from a low of U.S.$1,270 per ounce to a high of U.S.$1,552 per ounce. In 2020, the market spot gold price traded between a low of U.S.$1,472 per ounce in March 2020 and a high of U.S.$2,067 per ounce in August. In addition to protracted declines, such as the one experienced from 2011 through 2015, the price of gold is also often subject to sharp, often counterintuitive, short-term changes. For example, at the onset of the global COVID-19 crisis in March 2020, the gold price fell from U.S.$1,684 per ounce on 6 March to the year low of U.S.$1,472 on 17 March, despite the traditional investor perception of gold as a relatively safe haven in periods of overall market volatility.

Declining gold prices can also impact our operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. If a project or mine is determined to no longer be economically viable, we may nonetheless be obligated to continue our operations, due to our obligations under our mining licences, regardless of profitability. The suspension or stoppage of mining operations at a site could result in the loss of the mining licence or other penalties or sanctions. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed. If revenue from gold doré sales declines, our cash flow would be adversely impacted. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

Fluctuations in foreign currency exchange rates could affect our operating costs, borrowing costs and liquidity.

Gold is sold in U.S. dollars and, although a substantial portion of the costs of our gold operations are denominated in U.S. dollars, a material portion of our operating costs are incurred in other currencies including Canadian dollars, Euros, UK pounds sterling and Franc CFA. In particular, local labour and fuel costs at all of our assets are incurred in Franc CFA, which is pegged to the Euro. The royalty payments associated with our assets are also denominated in Franc CFA. Fluctuations in these currencies against the U.S. dollar could have a material effect on our financial results, which are denominated and reported in U.S. dollars.

We also hold cash and incur VAT in non-U.S. dollar currencies. Consequently, changes in currency exchange rates as well as associated transaction costs could adversely affect our results in any given period. Any fluctuations in the value of these foreign currencies relative to the U.S. dollar may result in variations in our financial results. Foreign currencies are affected by a number of factors that are beyond our control, including economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. In the ordinary course of business, we do not enter into hedging or derivative arrangements to manage our foreign exchange risk, though we may do so in the future.

Borrowings under our Bridge Term Loan Facility and our Revolving Credit Facility, (together "**the Facilities**"), accrue interest at variable rates and any borrowings would expose us to interest rate cost and interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness will increase even though the amounts borrowed remain the same. This would in turn result in a decrease in our net income and cash flows, limiting our ability to use resources for growth and investment in our operations. The Facilities contain a number of typical financial covenants, including maximum leverage levels and minimum interest cover levels, which, if breached, may result in the enforcement by secured lenders of their collateral interests. Should this occur due to a credit event, it may result in our loss of control over business, cross defaults with other providers of credit and a material adverse effect on shareholder value.

We are also exposed to a cash management risk, which is the risk that we are unable to effectively mobilise and deploy funds (from one location to another) as a result of inefficient processes or infrastructure. This risk arises primarily from inefficient processes to manage cash flow with local, central and online banks, as well as West African financial regulators, and could result in increased costs associated with financial transfers or noncompliance with applicable regulations. The proceeds of gold sales must, in most cases, be directed to the onshore bank accounts of the operating entities in West Africa (rather than to offshore bank accounts), as required by local and regional laws and regulations. Currency controls in the countries where we operate are dictated by the West African central bank (the Banque Centrale de Etats de l'Afrique de l'Quest ("**BCEAO**")) and any cross-border payment over U.S.$1,000 needs BCEAO approval. Consequently, there is a significant administrative burden, additional cost and time delay associated with the repatriation of funds to offshore accounts. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

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

The mining industry is intensely competitive. Significant competition exists in all aspects of the mining industry and we compete with other mining companies and with individuals for the acquisition of mining and exploration assets, for mining claims and leases on exploration properties, as well as for specialised equipment, components and supplies necessary for exploration, development and mining. Additionally, we may encounter increasing competition from other mining companies in our efforts to hire experienced mining professionals, particularly in West Africa.

When we compete for the acquisition of properties producing or capable of producing gold, we may be at a competitive disadvantage because we must compete with other individuals and companies, some of which may have greater financial resources, operational experience and technical capacities. As a result of this competition, we may be unable to identify, maintain or acquire attractive mining properties on acceptable terms, or at all, and our business, results of operations and financial condition could be materially adversely affected. Increased competition could also adversely affect our ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future. Increased competition may also result in losses of market share and could materially adversely affect our business, results of operations and financial condition.

Further, industry consolidation may lead to increased levels of competition, and there can be no guarantee that we will not become an acquisition target ourselves. A number of transactions have been completed in the gold mining industry in recent years, with some of our competitors having made acquisitions or entered into business combinations, joint ventures, partnerships or other strategic relationships. The companies or alliances resulting from these transactions or any further consolidation in the industry may lead our competitors to benefit from greater economies of scale, significantly larger asset bases and broader differentiation of mining assets in respect of geographies and commodities, from which we do not benefit.

Our business, and the ability to finance our operations, could be adversely affected by global economic conditions.

In recent years, global economic conditions have been characterised by ongoing volatility, and can suddenly and rapidly destabilise in response to any number of macro events, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. This has most recently been the case as a result of the COVID-19 pandemic. These global events are outside of our control and could have an impact on the operation of our assets, and in turn, our business, results of operations and financial condition.

Recent years have seen disruption and volatility in the global capital markets, including in response to the COVID-19 pandemic. In the future, such volatility could increase our cost of capital and adversely affect our ability to access the capital markets. Our ability to raise future financing for the funding of our operations or refinancing of existing indebtedness may be restricted, which could also have an adverse effect on our business and our ability to react to changing economic and business conditions.

In addition, an actual or perceived decline in economic and financial conditions globally or in a specific country, region or sector may have a material adverse effect on our business and ability to access external financing. A tightening of available credit may make it more difficult to obtain, or may increase the cost of obtaining, financing for our activities and capital expenditures at our mining assets.

The COVID-19 pandemic has had a negative impact on worldwide economic activity and may have an ongoing impact on our business.

The rapid, global spread of COVID-19 and its variants has adversely affected the global economy and has resulted in significant volatility in financial markets, volatility in the price of and the demand for gold and has reintroduced risks relating to quantitative easing, monetary accommodation and fiscal discipline. Government measures taken in response to the COVID-19 pandemic, including quarantine and lockdown orders, as well as other indirect effects from the COVID-19 pandemic on global economic activity, have resulted in some degree of global economic downturn.

Operationally, business continuity planning has been and remains challenging in many countries. The response to the pandemic has varied by jurisdiction, with authorities imposing different requirements, often changing as the crisis evolves. Our office staff have been working and continue to work remotely as required by local guidance and regulation, which has increased our exposure to cyber related risks. Almost all of our mining operations, and their related supply chains, were impacted to a degree by changed protocols or working practises, though none were required to suspend production. While we engaged with relevant government

authorities and advisors to ensure that the responses and measures implemented focused on the health of our workforce and communities and we established a cross-functional COVID-19 task force to help create and implement protocols to manage and combat the spread of COVID-19 across our operations and offices, the COVID-19 pandemic continues to create significant uncertainty for our business. The factors creating this uncertainty may affect the continuity of operations, the availability of essential staff and contractors, the availability and timeliness of input materials or equipment used for the mining and processing of gold, the timing for (and logistical viability of) gold sales to our refiners and offtakers, as well as the stability of the communities, the governments and the agencies of state upon which we depend.

Future spread of COVID-19, including in areas where our assets are located, may result in greater risk of exposure to employees, and we may respond by curtailing, rescheduling or suspending operations, construction or development at these assets or be required to do so by the relevant authorities.

In addition, our customers or suppliers may seek to release themselves from their contractual obligations by claiming that the ongoing pandemic and associated government responses constitute a force majeure event. Furthermore, the liquidity of our customers and suppliers may be impacted by the COVID-19 pandemic, potentially leading to increased credit risk if the economic downturn and government-imposed measures to curb the spread of the COVID-19 pandemic continue for an extended period of time.

The impact of the COVID-19 pandemic on our business going forward will depend on a range of factors which we are not able to accurately predict, including the duration and scope of the pandemic, the geographies impacted, the efficacy and rate of vaccinations, the impact of the pandemic on economic activity and the nature and severity of measures adopted by governments, including restrictions on travel, mandates to avoid large gatherings and orders to self-quarantine or shelter in place. The COVID-19 pandemic has led to sharp reductions in global growth rates and the ultimate impact on the global economy remains uncertain. Accordingly, the COVID-19 pandemic may have significant negative impacts in the medium and long-term, including on our business, financial condition and results of operations.

Our operations are subject to the physical risks of climate change.

Our operations could be exposed to a number of physical risks from climate change, such as changes in rainfall rates or patterns, reduced process water availability, higher temperatures and extreme weather events. Such events or conditions, including flooding or inadequate water supplies, could disrupt mining and transport operations, mineral processing and rehabilitation efforts, create resources or energy shortages, increase energy costs, damage our property or equipment, increase health and safety risks at our assets, adversely impact our ability to access financing and/or adequate insurance provision. Such events or conditions could have other adverse effects on our workforce and on the communities surrounding our mine sites, such as an increased risk of food insecurity, water scarcity and prevalence of disease. We are also at risk of reputational damage if key external stakeholders perceive that we are not adequately responding to the threat of climate change. Any of the aforementioned risks related to climate change could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to risks associated with fixed and floating gold delivery obligations.

We assumed certain obligations under a gold stream when we acquired the Karma Mine on 26 April 2016. We were obligated to deliver 100,000 ounces of gold (20,000 ounces per year) to Franco-Nevada Corporation and Sandstorm Gold Inc. over a five-year period, which commenced on 31 March 2016, in exchange for an ongoing payment of 20 per cent. of the spot price of gold for each ounce of gold delivered. The originally financed amount under the stream of U.S.$100.0 million for development of the Karma Mine was reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment. We delivered an additional 7,500 ounces between July 2017 and April 2019 in exchange for an additional deposit of U.S.$5.0 million received in 2017. Gold ounces sold to Franco-Nevada Corporation and Sandstorm Gold Inc. under the stream agreement are recognised as revenue only on the actual proceeds received, which per the agreement is 20 per cent. of the spot gold price. Following the five-year period, which was completed in March 2021, we are committed to deliver refined gold equal to 6.5 per cent. of the gold production at the Karma Mine for the life of the mine in exchange for ongoing payments of 20 per cent. of the spot gold price for each ounce sold.

We also assumed certain obligations under a gold stream when we acquired the Sabodala-Massawa mine on 10 February 2021. Further to an amendment to the original stream agreement on 25 September 2020, we are obligated to deliver 783 ounces per month beginning 1 September 2020 until 105,750 ounces have been delivered to Franco-Nevada (the "**Fixed Delivery Period**"). At the end of the Fixed Delivery Period, any

difference between total gold ounces delivered during the Fixed Delivery Period and 6 per cent. of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6 per cent. of production from the Company's existing properties in Senegal (excluding Massawa). For the ounces delivered to Franco-Nevada under the Sabodala-Massawa stream arrangement, the Group receives cash proceeds equivalent to 20 per cent. of the spot price of gold, and the gold ounces sold are recognised as revenue only on the actual proceeds received.

While these types of financing transactions are common and well understood in the gold producer market, this delivery obligation results in the sale of a certain percentage of gold at below market gold prices, which could have a negative effect on our future results of operations, cash flows and financial condition. If metal prices improve over time, these obligations reduce our ability to sell our production at higher market prices.

Risks Relating to Our Business Operations

Our mining, development and exploration activities are subject to operational risks and hazards inherent in the mining industry.

We currently have seven operating mines, the Boungou, Houndé, Karma, Mana, and Wahgnion Mines in Burkina Faso, the Ity Mine in Côte d'Ivoire and the Sabodala-Massawa Mine in Senegal. We also have two advanced stage development projects, the Fetekro Project in Côte d'Ivoire and the Kalana Project in Mali, as well as several earlier stage development and exploration properties, being Bantou, Nabanga, Golden Hill and our Afema joint venture, and an extensive portfolio of greenfield exploration targets in a range of locations.

Our activities at these assets are subject to numerous development and operating risks and hazards normally associated with natural resource projects, many of which are beyond our control. These development and operating risks and hazards include unanticipated variations in grade and other geological problems, seismic activity, climatic conditions such as flooding, particularly during West Africa's rainy season, metallurgical and other processing problems, IT and technical failures, unavailability of materials and equipment, interruptions to power supplies, industrial actions or disputes, industrial accidents, labour force insufficiencies, disputes or disruptions, unanticipated logistical and transportation constraints, community action or political protests, epidemics or health emergencies, force majeure factors, sabotage, cost overruns, fire, explosions, vandalism, political violence, terrorism and crime. There is the potential risk of a prolonged disruption or inoperability of one or more of our assets due to ineffective maintenance processes, personnel issues, lack of critical spares, repair cost budgeting, or poor record keeping and data analytics. We are also exposed to risks associated with ageing infrastructure, particularly, but not only, at Sabodala-Massawa, which could result in mechanical failure causing production delays, loss of production, environmental pollution, increased costs and/or industrial incidents.

We are also subject to risks associated with the use of new technology. At our Sabodala-Massawa Mine in Senegal, the life of mine plan relies on the implementation of BIOX® refractory ore treatment which has been developed to a Pre-feasibility Study level. The technology (and associated process plant) will effectively treat the refractory ore over the life of mine. A Definitive Feasibility Study is currently underway to refine the flowsheet, design and economics, as well as incorporate any additional drilling results from the refractory deposits. The study will include a comprehensive operational readiness plan to allow ramp up and maintenance of an operating plan to successfully recover gold from the processing circuit in the quantities and at the costs anticipated. This technology is complex to develop and to operate, and we do not currently operate this type of processing technology at any of our existing assets. If we fail to properly develop or properly operate the new processing circuit, it could materially affect our production levels and operating costs at the Sabodala-Massawa Mine. A disruption in operations or the inoperability of one or more of our assets could have a material adverse effect on our business, results of operations or financial condition.

In addition, our assets are subject to environmental hazards as a result of the processes and chemicals used in the extraction, production, storage, disposal and transportation of gold. Environmental hazards may exist on our properties or properties that may be encountered while our products are in transit. These risks and hazards could result in damage to, or destruction of, properties or production facilities, cause production to be reduced or to cease at those properties or production facilities, result in a decrease in the quality of the products, increased costs or delayed supplies, personal injury or death, environmental damage, loss of our licences or permits, business interruption and legal liability and result in actual production differing from estimates of production. We use sodium cyanide and other hazardous chemicals in our gold production at our mines, and may in the future use sodium cyanide at future operating mines. If sodium cyanide or other chemicals leak or are otherwise discharged from our containment system, we may be subject to liability for clean-up costs, for the

impact on human health or for damage to the local environment and waterways. In addition, we are exposed to claims alleging injury or illness from exposure to hazardous materials present, used at or released into the environment from our sites.

Furthermore, environmental hazards may exist on or adjacent to our projects. We may be liable for losses associated with environmental hazards on or adjacent to our projects, or may be forced to undertake extensive remedial clean-up action or to pay for governmental remedial clean-up actions, even in cases where such hazards have been caused by previous owners of our operations or our properties, by past or present owners of adjacent properties or natural conditions, or where such hazards or action have not been undertaken by employees of the Company. The costs of such clean-up actions may have a material adverse impact on our business, results of operations and financial condition.

Our assets are located in West Africa, a region in which the year is divided into rainy and dry seasons. Heavy rains during the rainy season can contribute to flooding and an abundance of insects, some of which may carry diseases such as malaria, which can impact our employees and contractors. While we can mitigate the effects of the rains and flooding by utilising stockpiles, implementing malaria prevention measures and conducting activities such as drilling bore holes to reduce the effects of flooding, the seasonal rainfall may have an impact on our operations. Any of these factors could have a material adverse effect on our business, results of operations or financial condition.

We are subject to risks and potential liabilities related our tailings storage facilities.

Mining and mineral processing operations generate waste rock and tailings. We store waste rock and tailings, respectively, in waste rock dumps and tailing storage facilities at our sites, and any failure or breach of these facilities, including any associated dam, could be significant and could result in damage to the environment, personal property and could lead to personal injury or loss of life. The design and maintenance of the tailings facilities and/or the management of wastewater may prove to be inadequate and may contribute to dam failures or tailings releases which may result in significant damage to the environment and wildlife or injury to persons. Such an incident at our operations could result, amongst other things, in enforcement actions, obligations to remediate environmental contamination or restore habitats, damage to our reputation, claims for property or natural resources damages, securities litigation, personal injury claims (including by adjacent communities) and interruptions in production.

Failure to comply with environmental, health and safety laws and regulations relating to tailings facilities may also result in injunctions, fines, suspension, revocation of permits or the introduction of onerous conditions into permits and other consequences. The costs and delays associated with a tailings spill, breach, or failure to comply with applicable regulations may prevent us from operating (or further developing) a mine or may increase the costs of production or development. Additionally, even though it may no longer be profitable to continue commercial production at a site due to a tailings failure, we may be obligated to continue operations due to the conditions of the relevant mining licence. We may also be held responsible for the costs of investigating and addressing any incident (including possible claims for natural resource damages) or for fines or penalties from governmental authorities. Further, we may be held liable for third party claims for losses and damages relating to spills or failures of the tailing facilities. The costs associated with such responsibilities and liabilities may be significant, may be higher than estimated, may involve lengthy remediation or restoration processes and could materially adversely affect our business, results of operations or financial condition.

Incidents at our or other mining companies' operations could result in governmental action to tighten regulatory requirements and restrict mining activities, particularly with respect to tailings storage facilities. This could affect our results of operations or could lead us to have to dedicate significant capital expenditure in order to bring our facilities into line with changing regulations.

We are subject to risks and expenses related to reclamation costs and related liabilities.

Land reclamation requirements are generally imposed on mining companies to minimise the long-term effects of land disturbance, and we are subject to such requirements at our assets. Reclamation may include requirements to treat ground and surface water to an acceptable standard, control dispersion of potentially deleterious effluent and reasonably re-establish pre-disturbance landforms and vegetation and address impacts on biodiversity. Such reclamation obligations require us to divert financial resources (including by maintaining certain funding accounts, restricted cash and bonding arrangements) that might otherwise be directed to our operations or further exploration and development programmes, or for purposes of shareholder returns. The costs associated with these responsibilities and liabilities may be significant, may be higher than estimated, may

involve lengthy remediation or restoration processes and could materially adversely affect our business, results of operations or financial condition.

Reclamation legislation in the jurisdictions in which we operate requires us to maintain certain funding accounts, restricted cash and bonding arrangements, including the following:

Boungou, Houndé, Karma, Mana and Wahgnion Mines located in Burkina Faso

In connection with the Boungou, Houndé, Karma, Mana and Wahgnion Mines, applicable legislation requires us to open and fund a bank account in Burkina Faso to create a fund to be used to pay the costs of implementation of the environmental preservation and rehabilitation programme. Withdrawals of funds on this account by the account holder are subject to prior authorisations from the Minister of Finance. The annual contribution starts on 1 January of each year following the start-up date of the, respective, mine, and thereafter the annual contribution can be made at any time during a given year. The annual contribution is equal to the total forecasted rehabilitation budget as stated in the environmental impact study divided by the number of years of the life of the mine. In relation to the Karma Mine, we have started the process in order to open the environmental preservation and rehabilitation bank account and we continue to coordinate with the relevant State agencies in order to comply with the requirements and have begun accruing the legal contributions in our financial statements. In relation to the Houndé Mine, the environmental preservation and rehabilitation bank account has been opened, while in the case of the Bouéré-Dohoun Gold Operation, a satellite pit at Houndé, the process is underway. In relation to the Wahgnion Mine, payments are made on a quarterly basis into a separate rehabilitation account with Société Générale. In January 2021, the BCEAO account was finalised and opened.

Ity Mine, Côte d'Ivoire

In connection with the Ity Mine, applicable legislation and the mining convention signed with the government of Côte d'Ivoire require us to open an environmental rehabilitation bank account in order to make annual contributions equal to 10 per cent. of the total forecast rehabilitation budget as stated in the environmental and social impact assessment (each an "**Ity Instalment**") during the number of years forming the mine life (i.e., 10 years). Consequently, each year, we should deposit in cash 20 per cent. of each Ity Instalment in the environmental rehabilitation bank account. The remaining 80 per cent. of each annual Ity Instalment must be covered by way of a bank guarantee.

Kalana Project, Mali

The Mining Code of the Republic of Mali requires mining companies to provide a form of financial assurance (bond or letter of credit) issued by an internationally recognised bank and equal to 5 per cent. of the mining company's forecasted turnover figure from that mine. This legislation has historically not been enforced since its passage in 2012, and we have not as yet fulfilled such requirements. While we do not expect any material liability to be incurred as a result of such non-compliance, and while we in any case expect to meet our reclamation obligations upon mine closure as required by local law, the strict environmental standards we are held to in the Facilities, as well as on the basis of the international best practices we hold ourselves to, we can provide no assurance that the government of Mali will not impose penalties on us or otherwise require us to comply.

Sabodala-Massawa Mine, Senegal

Since the implementation of the 2003 mining code in Senegal, holders of mining titles are required to rehabilitate their mining sites upon termination of their operations. Mining companies must provide for the rehabilitation of mine sites according to a rehabilitation plan approved by the Government, and must set aside rehabilitation funds in a specific fiduciary account. In practice, however, this obligation has not yet been implemented due to ongoing negotiations between the Government and mining companies, who have raised concerns about conflicting obligations with the provisions of their individual mining conventions.

Our mining operations in Senegal, through our subsidiaries Sabodala Gold Operations SA ("**SGO**") and Massawa SA ("**Massawa**") may be affected by the implementation of the obligation to create a rehabilitation fund. For mining companies like SGO and Massawa, the implementation of rehabilitation regulations means that they would be required to open and hold a fiduciary account within the Caisse des Dépôts et des Consignations (a state institution for financial deposits and consignments). SGO and Massawa would then be required to transfer the funds assigned to their rehabilitation plans on a yearly basis. These funds would be deducted from SGO's and Massawa's operational revenues. Upon the opening of the account, they would also

be obligated to deposit a sum equal to five times their annual contribution, to serve as a first-demand guarantee in favour of the Senegalese State.

To a lesser extent, the implementation of rehabilitation obligations may also impact our exploration subsidiary Sabodala Mining Company SARL ("**SMC**"). For SMC, it is still unclear how the implementation of the rehabilitation regulations would affect operations, as there are fewer regulatory provisions applicable to exploration entities. However, we expect a similar (although possibly less constraining) mechanism to be implemented in the longer term.

Our total liability for reclamation and closure cost obligation, as at 31 December 2020, was approximately U.S.$89 million and Teranga's corresponding liability was approximately U.S.$56 million. In Burkina Faso and Côte d'Ivoire, the regulatory authorities require security to be provided to cover the estimated rehabilitation provisions. As at 31 December 2020, total restricted cash held for this purpose was approximately U.S.$26 million, which increased from U.S.$10 million held as at 31 December 2019. The total restricted cash as at 31 December 2020 met regulatory requirements. The majority of rehabilitation expenses are expected to occur between 2022 and 2037.

Although we believe we are in material compliance with our reclamation funding obligations, there can be no assurance that any such provisions will be sufficient to complete reclamation work actually required or that we will not be required to fund additional reclamation costs that could have a material adverse effect on our business, results of operations or financial condition.

Our ability to maintain or increase our present level of gold production is dependent in part on our development projects, which are subject to numerous known and unknown risks.

Maintaining or increasing present levels of gold production is dependent on the successful development of new producing mines and/or identification of additional reserves at existing mining operations. Reduced production could have a material and adverse impact on our business, results of operations or financial condition. Feasibility studies are conducted to determine the economic viability of a deposit. Many factors and assumptions are involved in the determination of the economic viability of a deposit, including the achievement of satisfactory Mineral Reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and the estimate of future gold prices. Additionally, capital and operating cost estimates are based upon other factors and assumptions, including anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of the gold from the ore and anticipated environmental and regulatory compliance costs.

No assurance can be given that the intended or expected production estimates will be achieved by our operating mines or in respect of any future mining operations in which we own or may acquire interests. Failure to meet such production estimates could have a material effect on our business, results of operations, or financial condition. Production estimates are dependent on, among other things, the accuracy of Mineral Reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions and physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics and the accuracy of estimated rates and costs of mining and processing.

A number of events could affect the profitability or economic feasibility of one of our projects. We could encounter unanticipated changes in grade and tonnage of ore to be mined and processed or adverse geotechnical conditions, incorrect data on which engineering assumptions are made or variances in actual versus projected costs of constructing and operating a mine in a specific environment. We also are open to risk based on availability of labour and skilled personnel and economic sources of power, availability and costs of processing and refining facilities, adequacy of water supply, availability of surface tenure on which to locate processing and refining facilities, adequate access to the site, including functional infrastructure and competing land uses (such as agriculture and artisanal mining) and unanticipated transportation costs. One or more of the above-mentioned factors may adversely affect the performance of mining assets that we have acquired in takeovers or mergers with other companies where due diligence conclusions may subsequently be proved to have been unreliable or inaccurate, or where matters of significant judgement at the time of the transaction are subsequently shown to have been erroneous or incomplete. Additionally, our projects could be affected by new or existing government regulations, geopolitical events, accidents, labour actions and force majeure events, or availability of financing.

It is not unusual in new mining operations to experience unexpected problems during the start-up phase, and delays can often occur at the start of production. Each of these factors involves uncertainties and, as a result, we cannot give any assurance that our development or exploration projects will become operating mines. If a

mine is developed, actual capital and operating costs and operating results may differ materially from those anticipated in a feasibility study or other internal estimates.

No assurance can be given that our current or future mineral production estimates will be achieved.

Our Mineral Reserves and Resources are estimates based on assumptions, regarding, among other things, our costs, expenditures, commodity prices, exchange rates, metallurgical and mining recovery assumptions, which may prove inaccurate due to a number of factors. There are numerous uncertainties inherent in estimating quantities of Mineral Reserves and Mineral Resources and in projecting potential future rates of gold production, including many factors beyond our control, and such estimates should not be interpreted as assurances of mine life or of the profitability of current or future production. Mineral Reserve and Mineral Resource estimates are imprecise and depend partially on statistical inference drawn from drilling and other limited data, which may prove to be unreliable. These estimates are based on underlying data which may contain latent errors which could lead to inaccurate Mineral Reserve and Resource estimates. In particular, we have recently added a number of assets to our portfolio through the acquisitions of SEMAFO and Teranga, and consequently, did not have direct control over the production of the data that underpins the Mineral Reserve and Resource estimates relating to these assets.

Additionally, estimates which were valid when made, may have to be recalculated and may change significantly over the course of the relevant mine's life based on changes in mineral prices, further exploration or development activity, actual production results and impacts or upon other new information becoming available. Such changes could materially and adversely affect estimates of the volume or grade of mineralisation, estimated recovery rates or other important factors that influence Mineral Reserve and Mineral Resource estimates. Material changes in Mineral Reserves and Mineral Resources, grades, stripping ratios or recovery rates may affect the economic viability of projects or may cause us to alter mining plans. Market price fluctuations for gold, increased production and capital costs, reduced recovery rates, changes in the mine plan or pit design, or other factors may render our present Mineral Reserves uneconomical or unprofitable to develop at a particular site or sites. A reduction in our estimated Mineral Reserves could require material write-downs in the affected mining property and/or increased amortisation, reclamation and closure charges. Furthermore, any downward revision in our Mineral Reserves, and in the longer term, any failure to replace reserve ounces as they are mined may have a material adverse effect on our business, results of operations and financial condition.

Our ability to recover estimated Mineral Reserves and Mineral Resources can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. For instance, the grade of ore ultimately mined may differ from that indicated by results of drilling, sampling and other similar examinations. Short-term factors relating to Mineral Reserves and Mineral Resources, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on our results of operations. There can be no assurance that those portions of such Mineral Resources that are not Mineral Reserves will ultimately be re-classified into Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Our future exploration and development projects may not result in economically viable mining operations or yield new reserves.

In order to maintain or increase production levels in the long term, we must continually replace our gold reserves that are depleted by our mining activities. To replace our reserves, we rely on our exploration and development programme, which is speculative by nature, to discover and develop near-mine and new gold deposits. Our ability to sustain or increase the present levels of gold production across our mines depends in part on the success of our exploration, and we may be unable to sustain or increase such levels of exploration.

The exploration and development of gold deposits involves significant risks, which even a combination of careful evaluation, experience and technical knowledge may not eliminate. The economics of exploration and the eventual development of gold properties are affected by many factors, including the cost of future operations, availability of capital, assumptions about the price of gold, the grade and recoverability of gold, the ratio of waste to ore, sufficiency of water, resettlement costs and other factors, such as government regulations. While the discovery of a mineable deposit may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Further, major expenses may be required to identify ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Any successful exploration efforts will require significant time as well as capital expenditure to achieve commercial production. It can take a number of years from the initial phases of drilling and identification of mineralisation until production is possible, during which time the economic feasibility of extraction may change and gold that was economically recoverable at the time of discovery may cease to be so. Feasibility studies and other project evaluation activities necessary to determine the current or future viability of a mining operation can be unproductive and require substantial expenditure, and may prove to be inaccurate or erroneous to a greater or lesser degree. Significant expenditure is necessary to conduct activities such as exploration drilling to establish the presence, extent and grade of mineralised material. We undertake feasibility studies to estimate the technical and economic viability of mining projects and to determine appropriate mining methods and metallurgical recovery processes. Feasibility studies include estimates which are based on assumptions made based on available data. These estimates are not precise calculations, involve significant judgement and depend on the interpretation of limited information on the location, shape and continuity of the mineral occurrence and on available samplings results. No assurance can be given that such estimates are accurate and that the indicated levels of gold published in the studies can be produced. As a result, there can be no assurances that our exploration or ongoing or future development will result in profitable commercial mining operations.

Due to a declining rate of discovery of new gold reserves in recent years, we face intense competition for the acquisition of attractive mining properties. As part of our business operations, on occasion we evaluate the acquisition of an early stage gold project, greenfield project, development projects, or operating mines, whether as standalone assets or as part of existing companies. Any decision to acquire these properties is based on a variety of factors, including historical operating results, estimates and assumptions regarding the extent of the reserve, cash and other operating costs, gold prices, projected economic returns and evaluations of existing or potential liabilities associated with the relevant property and our operations, potential for synergies with our existing operations, and how these factors may change in the future. Other than historical operating results, these factors are uncertain and could have an impact on revenue, cash and other operating costs, as well as the process used to estimate gold reserves.

We face risks associated with illegal and artisanal mining, which may, among other things, create environmental, health and safety risks.

We face risks associated with illegal and artisanal mining on our properties. Illegal and artisanal miners may compromise their own safety, as well as safety at our mines, cause contamination of the environment as the result of unauthorised use of chemicals, including cyanide, and in certain cases, accelerate the depletion of our ore bodies. Although we, with the assistance of both local government authorities and external contractors, have undertaken measures that have reduced the occurrence of illegal mining, we cannot provide assurance that these measures will be successful in reducing or eliminating illegal mining in the future. We may also be held liable for environmental damage and/or personal injury associated with illegal or artisanal mining activity on our properties despite our efforts to prevent that activity. Additionally, our attempts to prevent illegal mining may have an impact on our relationships with the communities surrounding our mine sites and can lead to tensions, particularly with respect to our employment of non-local employees or contractors. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

Surrounding communities may affect mining operations through restriction of access of supplies and workforce to the mine site or through legal challenges asserting ownership rights.

The continued success of our existing operations and future projects are in part dependent upon broad support of and a healthy relationship with the respective local communities in which we operate. If it is perceived that we are not respecting or advancing the economic and social progress and safety of the local communities, our reputation could be damaged, which could have a negative impact on our "social licence to operate", our ability to secure new resources and labour and our financial performance.

Some of our current and potential assets are located in or near communities that may regard our operations as having a detrimental effect on their safety or environmental, economic or social circumstances. Our operations are located in communities which experience poverty and lack of stable employment or livelihood opportunities, factors which may contribute to tense relations between our operations and their surrounding communities. Mining is a skilled occupation and, consequently, we are not always able to source our employees or contractors from local communities which can lead to tension and a perception that our operations are not adequately contributing to the economic advancement of their host communities. The consequences of negative community reaction or allegations of incidents with adverse human rights impacts could have a material adverse impact on the cost, profitability, ability to finance or even the viability of an operation and the safety

and security of our workforce and assets. Such events could lead to disputes with national or local governments or with local communities or any other stakeholders and give rise to material reputational damage. If our operations are delayed, constrained or shut down as a result of political and community instability, our earnings may be constrained, and the long-term value of our business could be adversely impacted. Additionally, surrounding communities may affect mining operations through restricting access for supplies and workforce to the mine site. Certain of our properties may be subject to the rights or asserted rights of various community stakeholders. Even in cases where no action adverse to us is actually taken, the uncertainty associated with such political or community instability could negatively impact the perceived value of our assets and, consequently, have a material adverse effect on our business, results of operations and financial condition.

We depend on management and skilled personnel and may not be able to attract and retain qualified personnel in the future.

Our success depends, to a large degree, upon the continued service and skills of our existing management team. Our management team has significant experience and has been intimately involved in the development of our asset base, the integration of our acquisitions and the construction of new projects. If we lose the services of any key member of our management team and are unable to find a suitable replacement in a timely manner, we may be unable to effectively manage our business and execute our strategy.

In addition, we depend on skilled employees to carry out our operations. There is particular expertise that is applied and required in the areas of geology, metallurgy, mine operations and stakeholder relations across West Africa and there is the potential for government restriction on expatriate hires in the jurisdictions in which we operate. It can be difficult to attract employees with the requisite technical expertise to work in West Africa, given the region's location, operating approach and complexity. The loss of these persons or our inability to attract and retain additional highly skilled employees required for the implementation of our business plan and ongoing development and expansion of our operating assets may have a material adverse effect on our business or future operations.

French officials are conducting a judicial inquiry into certain past employees of Areva, including into our CEO Sébastien de Montessus in relation to his time as an employee of Areva, which could lead to negative publicity and/or reputational damage for the Group, and which could have an adverse impact on his ability to continue in his role.

Since April 2014, a judicial inquiry by French officials into a number of ex-Areva executives and employees, including our CEO, Sébastien de Montessus, has been examining the circumstances surrounding the 2007 acquisition by Areva (a French multinational group involved in the nuclear power industry, and now called Orano) of UraMin (a Canadian company which owned uranium assets in Namibia and South Africa) (the "**UraMin Acquisition**"), together with other related matters. Whilst Mr. de Montessus was not an employee of Areva's mining division when the terms of the UraMin Acquisition were agreed, he became Head of Mining at Areva in July 2007, shortly after the UraMin Acquisition was announced, and became a member of the Executive Board of Areva S.A. in June 2011, a position he held until March 2012.

Since March 2018, Mr. de Montessus' status in this inquiry has been "mis en examen", which can be translated as "under judicial inquiry". This is an investigative stage of the inquiry and, contrary to certain media reports, does not equate to being "charged" or "indicted", as those terms are understood in the UK and North America.

One element of the inquiry relates to allegations that, during the time when Mr. de Montessus was Head of Mining at Areva, Areva published misleading accounts by failing to recognise, at the appropriate time, an impairment in relation to the value of the UraMin assets it acquired in 2007. Other elements of the inquiry relate to allegedly unlawful payments made by Areva/UraMin, and an investigation as to whether unlawful, retroactive payments were made to Areva executives (including Mr. de Montessus) following the acquisition.

Since March 2018 when Mr. de Montessus' status became "mis en examen", the Group's Corporate Governance and Nominating Committee has determined that Mr. de Montessus has not been impeded in his ability to carry out his responsibilities and execute his duties as CEO of the Group. There has been no material change in the status of the inquiry since March 2018. There can be no certainty as to when or if the inquiry may progress, nor when the inquiry may conclude, nor how the inquiry may conclude (i.e. whether the inquiry may be closed without progressing, whether any indictment may be brought, or whether any such indictment may result in a conviction). The Corporate Governance and Nominating Committee will continue to keep under review its determination as to Mr de Montessus' ability to carry out his responsibilities and execute his duties and, depending on the nature and severity of any material developments in the progress of the inquiry or any additional demands on his time that they may impose, the Committee may require that Mr. de Montessus step

down from his role as CEO of the Group, which would require that the Company appoint an interim CEO while it finds a permanent replacement.

There is also a risk that negative publicity or other events associating Mr. de Montessus with these allegations (regardless of their foundation or accuracy), such as further or more expansive press coverage of the inquiry or possible charges against those under investigation, could adversely affect the Group's reputation by association. Such reputational damage could have an adverse impact on the Company's share price.

While none of the matters that are the subject of the inquiry relate to Endeavour, or any of its businesses or assets, and they entirely pre-date Mr. de Montessus joining Endeavour, the continuation of this inquiry, its ultimate findings, and/or any potential charges that arise from it remain uncertain and could be damaging to Endeavour's reputation, financial and business performance and its ability to successfully implement its strategy, any or all of which could have an adverse impact on its share price.

We are dependent on our workforce, and the workforce of our third-party contractors, to extract and process minerals containing gold, and are therefore sensitive to any labour disruption at our properties.

As at 31 March 2021, we had 7,752 employees. We are subject to collective bargaining agreements by law in Burkina Faso, Côte d'Ivoire, Mali and Senegal. We depend on our employees and third-party contractors to explore for mineral reserves and resources, develop our projects and operate our mines. We have in the past, and may in the future, experience labour disputes with our employees or third-party contractors and any breakdown or deterioration in relations with our employees or third-party contractors may adversely impact our operations. Any strikes and other labour disruptions at any of our operations, including those involving the workforce of our third-party contractors, or lengthy work interruptions at our existing and future development projects could result in a material adverse effect on the timing, completion and cost of any such project, as well as on our business, results of operations and financial condition.

We face risks associated with our use of third-party contractors.

As is common industry practice, certain aspects of our operations, such as mining, drilling, blasting and security are conducted by outside contractors and as a result, we are subject to a number of risks associated with the use of such contractors, including reduced control over the aspects of the operations that are the responsibility of a contractor, failure of a contractor to perform under its agreement, our inability to replace the contractor if either we or the contractor terminate the service agreement, interruption of operations in the event the contractor ceases operations as a result of a contractual dispute with us or as a result of liquidity constraints, insolvency or other unforeseen events, failure of the contractor to comply with applicable legal and regulatory requirements, and failure of the contractor to properly manage its workforce resulting in labour unrest, strikes or other employment issues, and tax issues related to the arrangement of contracts, any of which may have a material adverse effect on our business, financial condition and results of operations. We are also subject to risks associated with contractor misconduct, which could have negative impacts on the communities in which we operate and could lead to community issues, enforcement actions, legal claims or could have a negative impact on our reputation. Available contractors in West Africa are drawn from a narrow pool of entities with the requisite experience, sophistication and skill, and our ability to manage the risk of overreliance on one or more contractors may be limited by the availability of credible or sufficiently attractive alternatives.

We also retain contractors and engineering services for the development and construction of our new assets (and may rely on contractors retained in the past by companies that we subsequently acquire in strategic corporate transactions) and, therefore, we are dependent on the quality of work that those contractors perform. Although we always seek to retain contractors we regard as reputable and competent for the scope of work required, and we seek to reduce our risk by negotiating contracts that apportion risk and liability appropriately, we cannot exclude the risk that those contractors may breach their contracts with us (or predecessor companies), or that contractors may be negligent or otherwise deficient in performing the services for which they were contracted. This may result in financial liability or penalties and we may be unable to recover from those contractors or may be unable to remediate errors made by contractors which are necessary for the optimal performance of our assets. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

We may require further licences and encounter title claims to develop and realise certain gold reserves or to process the ore of third parties and may encounter title claims to any of our properties which may result in future losses or additional expenditures.

We are required to maintain approvals, licences and permits from various governmental authorities in order to conduct our business. Such approvals, licences and permits are complex and time consuming to obtain and, depending on the location of the project, may involve multiple governmental and regulatory agencies. If procedures are not followed properly by these government agencies during the licensing process, we could be at risk of having our licences declared invalid or revoked. In addition, the receipt, duration, amendment or renewal of such approvals, licences and permits are subject to many variables outside our control, including potential legal challenges from various stakeholders such as environmental groups, non-governmental organisations, community groups or other claimants. The requirements to obtain or maintain such licences and permits, however, are subject to change in various circumstances. The costs and delays associated with obtaining the necessary permits, consents, authorisations and agreements required for our operations may stop or materially delay or restrict us from proceeding with the development of an exploration project or the operation or further development of an existing mine, resulting in a material adverse impact on our business, prospects, financial condition and results of operations.

In addition, to the extent that we may process third-party ore on a tolling basis, the seller of that ore may be required to hold the relevant in-country permits to carry out mining activities or to aggregate ore from other sources. In the absence of those permits, we may be forced to suspend or terminate our arrangements for the supply of that third-party ore. There can be no assurance that we or any relevant third parties will be able to obtain or maintain the approvals, permit or licences that may be required to explore and develop any of our current or future properties, commence construction or operation of mining facilities on properties under exploration or development, or maintain continued operations that economically justify their cost.

The validity of ownership and of property holdings can be uncertain and may be contested in the countries in which we operate. Risk always exists that some titles, particularly titles to undeveloped properties, may be defective. We cannot provide assurance that we will be able to secure the grant or the renewal of existing mineral rights and tenures on terms satisfactory to us, or that governments in the jurisdictions in which we operate will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments, indigenous peoples or other claimants. Further, we can provide no assurance that some of our titles to undeveloped properties are not defective or that title to our properties will not be challenged, encumbered, revoked or subject to additional conditions in the future. For example, in 2019, the government of Mali notified us that they regarded the pace of progress at our Kalana Project as not conforming with the requirements of our mining licence, as we had halted mining operations subject to further exploration and various studies had been delayed. As a result of the discussions stemming from these events, we are now required to submit quarterly reports demonstrating our ongoing exploration studies at Kalana. The government of Mali could impose additional reporting requirements going forward, or may take a view about our mining licence that is adverse to our ability to develop the Kalana Project, including in an extreme case, to revoke our mining licence. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

We may be adversely affected by the availability and costs of key inputs.

Our competitive position depends on our ability to control the cost structure of each of our operations, which is based on many factors, including the location, grade and nature of the ore body, the management skills at each site and the costs of key inputs such as fuel, electricity, tires for mining equipment, reagents, and other supplies. The high level of fixed costs associated with these key inputs makes it difficult for us to respond quickly to price fluctuations. Because we produce gold and cannot pass increases in production costs on to customers for our product, any increases in input costs will adversely affect our profit margins. If supply of our key inputs becomes unavailable or their cost increases significantly, operations at our mines could be interrupted or halted, resulting in a material adverse impact on our business, prospects, financial condition and results of operations.

Additionally, the mining industry, particularly the gold mining industry, is generally labour intensive and is characterised by high fixed costs on a short-term operating basis. The majority of operating costs of each mine do not vary significantly with the production rate, and therefore, a relatively small change in productivity as a result of, for example strikes or work stoppages could have a disproportionate effect on operating and financial results.

While management prepares, on a quarterly basis, its cost and production guidance and other forecasts based on a comprehensive review of current and estimated future costs, such guidance and forecasts inevitably involve assumptions and judgement regarding the future availability of key input materials and supplies. Lack of supply of or increased costs for any of these inputs would decrease productivity, reduce the profitability of our mines, and potentially result in suspending all or a portion of our operations. In particular, our operations, by their nature, use large amounts of electricity and energy. Energy prices can be affected by numerous factors beyond our control, including global and regional supply and demand, political and economic conditions, and applicable regulatory regimes. The prices of various sources of energy may increase significantly from current levels. A decrease in the availability of, or increase in the price of, electricity and other energy sources may have a material adverse effect on our business, prospects, financial condition and results of operations. Over time, the mining industry has been impacted by increased worldwide demand for critical resources such as input commodities, drilling equipment, tires and skilled labour, and any shortages in those resources may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditure and production schedules. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

Legal and Regulatory Risks related to Our Business

We are subject to a number of laws and regulations and may not be able to enforce our legal rights.

Our business activities are subject to extensive laws and regulations governing various matters. These include laws and regulations relating to environmental protection, management and use of hazardous substances and explosives, management of natural resources, licences over resources owned by various governments, exploration, development of projects, production and post-closure reclamation, labour and occupational health and safety standards, and historical and cultural preservation, the employment of expatriates, bribery and corruption, economic sanctions, taxation, antitrust, and financial markets regulation. Policies, laws and regulations in the countries in which we operate may change in a manner that adversely affects us. The terms attaching to any permit or licence to operate may become more onerous. Additionally, in many of the developing countries where we operate, the legal systems may not be mature, legislation may present conflicts, ambiguities, be unclear or lack associated guidance, and legal practice may not be developed, such that, in certain cases, there may be significant uncertainty as to the correct legal position, as well as the possibility of laws changing or new laws and regulations being enacted, which has the potential to render us unable to enforce our understanding of title, permits or other rights, as well as to increase compliance costs.

We may be subject to the exclusive jurisdiction of courts in various jurisdictions or may not be successful in subjecting foreign persons to the jurisdiction of the courts in the forum chosen in the relevant contract in the event of a dispute arising at our operations. In addition, the counterparties to several of our key contracts, as well as our joint venture partners, are government agencies or government owned entities. As such, we may also be hindered or prevented from enforcing our rights with respect to a government entity or agency because of the doctrine of sovereign immunity. It is also possible that our interests, on the one hand, and those of our joint venture partners, on the other, will not always be aligned, resulting in possible project delays, additional costs or disagreements. Any adverse or arbitrary decision of a foreign court or our inability to bring a claim may have a material and adverse impact on our business, results of operations and financial condition.

Our activities are extensively regulated in respect of environmental, health and safety standards which are likely to become more stringent over time and may be subject to unforeseen changes.

All phases of our mining operations are typically subject to environmental, health and safety regulations in the various jurisdictions in which we operate. Environmental, health and safety legislation in many countries is evolving and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects or project changes or expansions and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental, health and safety laws and regulations may require significant capital expenditure and may cause material changes or delays in our intended activities. There can be no assurance that future changes in environmental, health and safety regulations will not adversely affect our business, and it is possible that future changes in these laws or regulations could have a significant adverse impact on a portion of our business, causing us to re-evaluate those affected activities at that time.

Our stakeholders and the communities in which we operate increasingly expect us to apply stringent internationally recognised environmental, health and safety and social benchmarks to our operations, in addition to complying with local laws and regulations. In benchmarking our practices, we apply a number of international standards and reporting requirements, including the International Finance Corporation ("**IFC**")

Performance Standards, the Responsible Gold Mining Principles ("**RGMPs**") and certain guidelines issued by the World Bank. Certain financial institutions from whom we may borrow funds require compliance with certain of those standards and guidelines or other standards, and our deviation from these could prevent or adversely affect our existing or future financings, or our financial condition.

In addition, we must also continually engage with our stakeholders, local communities and other interested parties such as non-governmental organisations regarding the environmental, health and safety and social impact of our operations and undertake steps to mitigate such impact where feasible. Our potential failure to meet the environmental, health and safety and social expectations of these various stakeholders may harm our stakeholders or our reputation, as well as our ability to bring projects into production, each of which could in turn adversely affect our revenues, results of operations and cash flows, potentially in a material manner. In addition, the cost of and management time allocated toward ensuring compliance with standards of social responsibility and sustainability are expected to increase over time. The complexity of these requirements may also change which may see us struggle to meet or adapt to such requirements.

Our business is subject to evolving climate change initiatives and legislation that may increase both compliance costs and the risk of non-compliance.

Our presence in West Africa and participation in the mining industry exposes us to multiple jurisdictions in which regulations or laws have been, are being, or could be considered to limit or reduce emissions. The immediate financial effect of these changes is expected to be an increase in the cost of fossil fuels, carbon intensive products and/or the cost of carbon, the imposition of levies for emissions in excess of certain levels and an increase in administrative costs for monitoring, reporting and verification. Greenhouse gases ("**GHGs**") are emitted directly by our operations, as well as by external utilities from which we purchase electricity. Additional measures addressing GHG emissions may be implemented at national or international levels in various countries or regions, including those in which we operate. Energy is a significant input and cost to our mining and processing operations and its increasing cost and/or requirements to adapt our energy usage could adversely affect our operations and profitability. Regulatory and other initiatives designed to curb GHGs emissions could increase our energy, production, transport and/or other operating costs, or could result in new forms of taxation, which could have a material effect on our business, results of operations and financial condition. Future measures could require us to make operational and other changes to reduce our direct GHG emissions or energy use or to incur significant costs for GHG emissions permits or taxes. While we currently monitor our GHG emissions and intensity, as well as our energy consumption and intensity, we could be subject to additional monitoring, reporting and verification requirements. We could be required to incur significant costs related to implementing additional GHG monitoring, reporting and verification measures, capital equipment designed to reduce GHG emissions, and other obligations to comply with applicable requirements.

New and/or future climate change legislation may affect our ability to continue to operate as currently operated or planned to be operated. Any changes to these current or planned operations could significantly increase our costs of operations and have a material adverse effect on our business, results of operations and financial condition.

Government regulation may have an adverse effect on our exploration, development and mining operations.

The business of mineral exploration, development, mining and processing is subject to various national and local laws and plans relating to permitting and maintenance of title, environmental consents, taxation, employee relations, health and safety, royalties, land acquisitions, land use, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Although we believe we currently comply with all material rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. New laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations, whether in response to changes in the political or social environment in which we operate or otherwise, could cause us to incur additional expense or capital expenditure restrictions or suspensions of our activities and delays in the exploration and development of our properties.

We operate in four jurisdictions in West Africa, Burkina Faso, Côte d'Ivoire, Mali and Senegal. We are subject to local laws in each jurisdiction, including but not limited to tax laws, employment laws, environmental laws, laws related to bribery and corruption and financial regulation. We are also subject to local mining laws and

regulations in each jurisdiction. Any existing and new mining, exploration operations and projects that we own and operate are subject to various national and local laws, policies and regulations governing the ownership, prospecting, development and mining of gold, taxation and royalties, exchange controls, import and export duties and restrictions, investment approvals, employee and social community relations and other matters.

Our efforts to comply with existing and new rules and regulations have resulted in, and may continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance-related activities. Any failure to comply with applicable laws and regulations, even if inadvertent, may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities. We may also be required to compensate third parties suffering loss or damage by reason of a breach of such laws and regulations. Such failure to comply with applicable laws and regulations may ultimately result in interruption or closure of exploration, development or mining operations, which may have a material adverse effect on our business, results of operations and financial condition.

We may be adversely affected by violations of applicable anti-corruption laws, as well as export control regulations and related laws and economic sanctions programmes.

We conduct business in countries where there is an elevated risk of corruption. Acts and payments that may be considered illegal under applicable local and/or extraterritorial anti-corruption, anti-bribery, anti-money laundering or export control regulations and related laws may be considered an acceptable part of business culture in those countries. We are committed to doing business in accordance with all applicable local and/or extraterritorial anti-corruption laws and economic sanctions programmes. We believe that we have a strong culture of compliance and an adequate system of internal controls and continuously seek to re-evaluate and improve such controls. We currently have a Business Conduct and Ethics Policy, Anti-Bribery and Anti-Corruption and Sanctions Policy in place, as well as a procedures and control system for financial approvals which is linked to tiered authority limits, and includes a requirement for multiple signatories. We also maintain compliance systems which involve annual online education for our employees concerning the risks of bribery and corruption, and ways in which those risks can be identified and mitigated with the aim of ensuring compliance. Likewise, we conduct annual training on sanctions for relevant employees. To further safeguard against the risks of impropriety or wrongdoing we retain the services of an independent whistle-blower line, accessible to anyone who wishes to elevate their concerns, and available on an anonymous basis. The independent whistle-blower line is supervised by the Chair of the Audit Committee. Nevertheless, there is a risk that we or our affiliated entities or respective officers, directors, employees, contractors or agents may act in violation of our policies, procedures and applicable laws, including the UK Bribery Act 2010, the Canadian Corruption of Foreign Public Officials Act, the U.S. Foreign Corrupt Practices Act (1977) and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Violations of applicable local and/or extraterritorial anti-corruption, anti-bribery, anti-money laundering and export control regulations and related laws are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts, termination of existing contracts, and revocations or restrictions of licences, as well as criminal fines and imprisonment. In addition, any such violations could result in damage to our reputation and may materially adversely affect our business, results of operations and financial condition.

We face the risk of litigation in connection with our business and other activities.

All industries, including the mining industry, are subject to legal claims, with and without merit. We may become party to new litigation or other proceedings in a number of jurisdictions in respect of any aspect of our business, whether under criminal law, in tort, contract or otherwise. The cost of defending such claims may take away from management's time and effort and, if adjudged adversely to us, the associated liability may have a material and adverse effect on our reputation, business, results of operations and financial condition.

Other Risks related to Our Business

We may fail to successfully integrate acquired properties, including those acquired from SEMAFO and Teranga.

We evaluate opportunities to acquire, divest and/or consolidate gold producing assets and similar businesses on an ongoing basis and have a history of making and integrating acquisitions, including our acquisition of SEMAFO in July 2020 and Teranga in February 2021. Our success in our acquisition, divestment and consolidation activities depends on our ability to identify suitable opportunities, implement such activities on acceptable terms and have the operations of any acquired companies successfully integrated with those of our

business. However, we cannot give any assurance that we will successfully integrate these acquisitions into our existing operations or successfully divest non-core assets.

Any future transactions may be significant in size, may change the scale of our business and may expose us to new geographic, political, operating, financial and geological risks. Such transactions may be accompanied by risks applicable to the exploration and development of resource properties and conduct of mining operations generally, to the difficulties of assimilating the operations and personnel of any acquired companies, and to the risk of unknown liabilities associated with acquired assets and businesses.

Both the successful integration of the SEMAFO and Teranga acquisitions, as well as any future acquisitions, involve other inherent risks, including:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities, and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from the existing business;
- potential loss of our key employees or the key employees of any business we acquire;
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of acquired properties, companies or securities.

Any one or more of these factors or other risks could cause us not to realise the anticipated financial synergies and other benefits of an acquisition of properties or companies, and could have a material adverse effect on our business, results of operations and financial condition.

Our business may face IT and cyber security threats.

Our operations depend, in part, on how well protected our software, hardware, telecommunication and other information technology systems are. Our operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risk of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. Such failure of the foregoing could, depending on the nature of such failure, adversely impact our reputation and results of operations. Due to the remote locations of our operations, we rely on microwave connectivity with a backup link to supply a network on which our employees can execute their work tasks and communicate with friends and family. A loss of connectivity at one or more of our sites or our corporate offices could materially impact operations. Furthermore, with many of our office staff working from home due to the COVID-19 pandemic, a failure of or breach of our cloud-based network could result in a material impact on our operations.

We are also subject to the risks related to cybersecurity attacks or cybercrime. The sophistication and magnitude of cybersecurity incidents are increasing and include malicious software, attempts to gain unauthorised access to data and other electronic security and protected information breaches that could lead to production downtime, attempts to induce the transfer of funds through fraud, operational delays, the compromising of confidential or otherwise protected information, destruction or corruption of data, other manipulation or improper use of our systems and networks or financial losses for remedial actions. Despite multi-layered security software having been implemented and being regularly maintained, there is no guarantee that our systems and the information they contain will not be hacked or compromised, which may result in the disclosure of confidential information or information that is protected by data privacy laws, the theft of our financial assets through fraudulent transactions, or the damage to, or unavailability or outage of, vital production monitoring systems and telemetry at our mine sites which results in operations being suspended for an indeterminate period of time. Any of these factors could have a material adverse effect on our business, results of operations and financial condition.

Our business requires substantial capital expenditure and there can be no assurance that such funding will be available on a timely basis, or at all.

Our business is capital intensive and is funded through our cash flows from operations and external financing sources. If we decide to make further acquisitions or to construct greenfield projects, or pursue an ambitious exploration programme (which we currently have) we may require additional capital. We may also encounter

significant unanticipated liabilities or expenses associated with developing and operating our assets. Our ability to continue to implement our business strategy, as well as our ability to discharge unanticipated liabilities and expenses, depends on our ability to generate sufficient free cash flow from our operating mines, each of which is subject to certain risks and uncertainties. We may be required to obtain additional equity or debt financing in the future to fund exploration and development activities or acquisitions of additional projects. There can be no assurance that we will be able to obtain such financing in a timely manner, on acceptable terms or at all.

Our use of derivative instruments involves certain inherent risks, including credit risk, market liquidity risk, and unrealised mark-to-market risk.

From time to time, we employ hedging tools for a portion of our gold production and commodity prices to protect a portion of our cash flows against decreases in the price of gold or increases in the price of the underlying commodities we use. The main hedging tools available to protect against price risk are collar contracts which involve a combination of put and call options or forward sales. Various strategies are available using these tools. Although hedging activities may protect us against a low gold price or commodity price fluctuations, they may also (i) limit the price that can be realised on the portion of hedged gold where the market price of gold exceeds the strike price in forward sale or call option contracts, and (ii) stipulate a price at which a commodity (such as fuel) must be purchased, which may be higher than the prevailing market price for that commodity.

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

Our business is subject to a number of risks and hazards inherent in the mining industry, including risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, labour disputes, unusual or unexpected geological conditions, metallurgical or other processing problems, industrial accidents, fires, natural disasters, global health crises, delays in mining, changes in the regulatory environment and monetary losses and possible legal liability, are such that a liability could exceed our insurance policy limits or could be excluded from our coverage. The potential costs which could be associated with any liabilities not covered by insurance, or in excess of insurance coverage, including, but not limited to, potential liabilities in relation to certain of our tailings storage facilities may require significant capital outlays, adversely affecting our future earnings and competitive position and our business, results of operations and financial condition.

While we maintain insurance to protect against certain risks in such amounts as we consider reasonable, we cannot provide assurance that our insurance will be available at economically feasible premiums or at all in the future, or that it will provide sufficient coverage for losses related to these or other risks and hazards.

In addition, changes in the insurance market can lead to us having to alter our insurance programme and could lead to changes in insurance costs and the coverage we maintain. For example, the ongoing COVID-19 pandemic has resulted in the largest insurable event in history. As a result, we have seen material movement in capacity and liquidity in the insurance market, with less liquidity and risk appetite willing to underwrite insurable risks. Particularly, there has been notable premium movement associated with Directors' and Officers' ("**D&O**") coverage, leading to a four-fold increase in premiums in 2020/2021 compared to 2019/2020. Material changes in the insurance market, such as those described above, could lead us to have to alter our insurance programme and could lead to increased costs or liability. Furthermore, insurance against risks such as loss of title to mineral property, environmental pollution or other hazards as a result of exploration, development and production is not generally available to companies in the mining industry on acceptable terms. Losses from these events may cause us to incur significant costs that could have a material adverse effect on our business, results of operations and financial condition.

Risks related to Our Operations in West Africa

We are subject to geopolitical and other risks associated with operating in West Africa.

We operate and owns assets in West Africa, which is a complex and developing region with, at times, an unstable political and social climate. As a result, we are exposed to a wide range of political, economic, regulatory, social and tax risks and changes. Conditions in the region are subject to sometimes sudden changes, and in a manner that may be materially adverse for us, including changes to government policies and regulations governing industrial production, foreign investment, price controls, import and export controls, tariffs, subsidies, income and other forms of taxation (including policies relating to the granting of advance rulings on taxation matters and/or the prevalence of excessive or speculative tax assessments), nationalisation

or expropriation of property, repatriation of income, royalties, the environment, labour and health and safety. We are also subject to risks associated with social or civil disruptions or changes in government expectations, which could interrupt access to supplies, site travel, reporting requirements and regular operations.

The majority of our assets are diversified across four jurisdictions in West Africa, Burkina Faso, Côte d'Ivoire, Mali and Senegal, which have in the past experienced, and in certain areas continue to experience, a difficult security environment.

While we believe that the governments of the countries in where we hold our assets support the development of their natural resources by foreign companies, it is possible that future political and economic conditions of these countries will result in their governments adopting different policies respecting foreign ownership of mineral resources, taxation, rates of exchange, environmental protection, labour relations, repatriation of income or return of capital, restrictions on production, price controls, export controls, local beneficiation of gold production, expropriation of property, foreign investment, maintenance of claims and mine safety. In West Africa, state participation in mining projects is typically covered in the relevant mining legislation. Whilst the precise rights of the state vary somewhat from jurisdiction to jurisdiction, typically the state is entitled to a 10 per cent. free carried interest in the mining concession with the right to acquire an additional working interest. In some jurisdictions this additional working interest is capped. The Company is not aware of any recent examples in any West African jurisdiction in which it operates of the state exercising its statutory right to acquire a working interest. However, the possibility that a future government in any of the countries in which we operate may adopt substantially different policies, which might include the expropriation of assets, cannot be excluded.

Other risks and uncertainties to which we are exposed through our operations in West Africa include, but are not limited to: hostage taking; sabotage, extortion and kidnapping; military repression; threat of organised crime; terrorism; human rights violations; high rates of inflation; labour unrest; political violence; war or civil unrest; expropriation and nationalisation; renegotiation or nullification of existing concessions, licences, permits, contracts and fiscal stability arrangements; illegal mining; changes in taxation policies; convertibility or transfer restrictions on foreign exchange; loss due to disease and other potential endemic health issues; and changing political conditions, capital controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. There can be no assurance that such issues will not arise in the future.

Intrusions onto our tenement and operational areas, including artisanal and illegal-mining related activities in particular, continue to be a challenge. If the security environment surrounding our operations that are most exposed to those risks deteriorates, then employee, third-party and community members may be injured and fatalities could also result. Any such factors could disrupt our operations and adversely affect our reputation, results of operations and financial condition.

We operate in regions where pervasive poverty, unemployment and the lack of access to alternative livelihoods mean that the creation and distribution of economic benefits from mining operations may become concentrated in smaller community subgroups of the wider national population. This could pose operational and reputational risk and could threaten relationships with community or government, for whom the mining operations are significant area of economic focus.

Volatile commodity prices and other factors affecting the economic and fiscal health of our host countries have in the past resulted in increased resource nationalism trends in some African countries, with governments repudiating or renegotiating contracts with, and expropriating assets from, companies that are producing in such countries. The gold that we produce is considered a strategic resource by some of our host countries owing to their dependence on gold and the gold mining industry as an important source of national revenue. Governments in these countries may decide not to recognise previous arrangements if they regard them as no longer being in the national interest. Governments may also implement export controls on commodities regarded by them as strategic or place restrictions on foreign ownership of industrial assets. Renegotiation or nullification of existing agreements, leases, permits or tax rulings, changes in fiscal policies (including new or increased taxes or royalty rates, denial of tax deductions or aggressive tax policy interpretation or enforcement, or the implementation of windfall taxes) and currency transfer or convertibility restrictions imposed by the governments of countries in which we operate could all have a material adverse effect on our business, results of operations and financial condition. Additionally, we rely on amicable relationships between our operations and key government representatives and if there were to be an erosion of such a relationship, it could similarly have an adverse effect on our business, results of operations and financial condition.

The location of our assets subjects us to safety and security risks.

Following instability in recent years in the countries of the Sahel, the prevailing security environment in the region has deteriorated due to the presence of various militant secessionist and Islamist paramilitary and terrorist, as well as local vigilante, groups. While we have implemented additional measures in response to ensure the security of our various assets, personnel and contractors, and continue to cooperate with regional governments, their security forces and third parties, there can be no assurance that these measures will be successful. Any failure to maintain the security of our assets, personnel and contractors may have a material adverse effect on our stakeholders, business, results of operations and financial condition.

In particular, we operate in Burkina Faso, which has been subject to political instability and has experienced various political issues in recent years. In 2014, the long-standing President of Burkina Faso was exiled following a popularly supported coup. The instability following the instalment of a civilian transitional government resulted in two further coup attempts in 2015 and 2016, neither of which were successful. During this time, elements of terrorist and paramilitary organisations, present in the wider Sahel region, consolidated their influence over parts of Northern and Eastern Burkina Faso. This resulted in a series of security incidents in 2019 involving improvised explosive devices on the road leading to the Boungou Mine, which we acquired from SEMAFO in July 2020. In November 2019, an attack occurred involving fives buses carrying contractors and employees of the Boungou Mine, which resulted in 39 fatalities. Following the attack, the Boungou Mine was placed on temporary care and maintenance in order to address regional security issues. The security of our employees and contractors in Burkina Faso is key to our ability to perform our exploration, development and mining activities in the country. Since our acquisition of SEMAFO in July 2020 we have significantly enhanced site security and infrastructure, and have implemented security protocols at Boungou, and for the transportation of personnel and materials to Boungou, which reflect practices at our other mine sites. However, the security environment in Burkina Faso may deteriorate and adversely affect our operations or profitability or lead to loss of life and reputational risk. There can be no guarantee that this site, or others in Burkina Faso or elsewhere, may not suffer similar direct or indirect attacks on people, equipment and infrastructure.

Our continued operations depend on adequate infrastructure, which is underdeveloped in certain parts of West Africa, and the uninterrupted flow of power, materials, supplies and services.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploitation and/or development of our projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploitation and/or development of our projects will be commenced or completed on a timely basis, if at all, or that the resulting operations will achieve the anticipated production volume, or that construction costs and ongoing operating costs will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, sabotage or other interference in the maintenance or provision of such infrastructure could adversely affect our business, financial condition and results of operations.

In particular, our mining interests are located in remote locations and depend on an uninterrupted flow of materials, supplies and services to those locations. Any interruptions to the procurement of equipment or the flow of materials, supplies and services to these properties could have an adverse impact on our business, results of operations and financial condition.

Our mining properties are subject to various government equity interests and royalty payments payable to the respective governments of the countries in which we operate.

Our mining properties in Burkina Faso, Côte d'Ivoire, Mali and Senegal are subject to certain government equity interests. The mining laws of Burkina Faso, Côte d'Ivoire and Mali and Senegal stipulate that when an economic ore body is discovered on a property subject to an exploration permit, a mining permit that allows processing operations on that property to be undertaken must be issued, or transferred, to a new mining company in which the company may hold a majority interest and the government retains a minority "free-carried interest" free of any financial obligation, of at least 10 per cent., in any mining project. Such legislation entitles the respective governments in these countries to maintain the same percentage of equity interest in the event of capital increases, without a proportional contribution to the funding of the relevant asset. In addition, mining legislation in Mali, Côte d'Ivoire and Senegal provides that the respective government may exercise a right to purchase up to an additional 10 per cent., 15 per cent. and 25 per cent. interest, respectively, in any mining company. Similarly, in Burkina Faso, the mining legislation allows the State to increase its participation in any mining company. Although we believe we would be entitled to payment if the governments of Mali,

Côte d'Ivoire, Senegal and Burkina Faso were to exercise such rights, we can provide no assurance that we would be compensated fairly or at all.

In addition, under the laws of, and pursuant to certain mining conventions in the countries in which we operate, we are required to make various royalty payments. Notwithstanding any stability agreements with the host governments contained in the relevant mining conventions, the laws and practices of the various governments as to foreign ownership, control of mining companies or required royalties may change in a manner which adversely affects our business, prospects, financial condition and results of operations. Furthermore, if we acquire mining interests in new jurisdictions, there can be no assurance that the legislation in those jurisdictions will be at least as favourable as the legislation that exists in the jurisdictions in which we currently operate.

There are health risks associated with the mining work force in Africa.

Malaria, Ebola, HIV and other endemic diseases represent a serious threat to maintaining a skilled workforce in the mining industry throughout Africa and are a major healthcare challenge to our operations. For example, an epidemic of the Ebola virus disease in 2014 in parts of West Africa resulted in a substantial number of deaths and the World Health Organisation ("**WHO**") declared it a global health emergency at that time. Additionally, malaria outbreaks affect our employees and contractors in the ordinary course of our business, particularly at the Ity Mine in Côte d'Ivoire, with outbreaks arising seasonally with the rainy season. Should there be an outbreak or epidemic in any country in which we operate, which is not satisfactorily contained, our workforce may be adversely impacted and we may face difficulties securing transportation of supplies and equipment essential to our mining operations. As a result, our exploration, development and production plans could be delayed or interrupted after commencement. Any changes to these operations could significantly increase the costs of operations and have a material adverse effect on our business, results of operations and financial condition.

Risks relating to the Shares

Shares in the Company may be subject to market price volatility and the market price of the Shares in the Company may decline disproportionately in response to developments that are unrelated to the Company's operating performance.

The market price of the Shares may be volatile and subject to wide fluctuations. The market price of the Shares may fluctuate as a result of a variety of factors, including, but not limited to, those referred to in this Part 1 (*Risk Factors*), many of which will be outside of the Company's control such as period to period variations in operating results or changes in revenue or profit estimates by the Group, industry participants or financial analysts. The market price could also be adversely affected by developments unrelated to the Group's operating performance, such as the operating and share price performance of other companies that investors may consider comparable to the Group, speculation about the Group in the press or the investment community, unfavourable press, strategic actions by competitors (including mergers, acquisitions and disposals), changes in market conditions, currency fluctuations, legislative and regulatory changes (including changes in the tax regime in the jurisdictions in which the Company has interests), additions and departures of key personnel of the Group, and broader market volatility and movements. Any or all of these factors could result in material fluctuations in the price of Shares, which could lead to investors getting back less than they invested or a total loss of their investment.

The current value of Old EDV Shares cannot be taken as indicative of the likely development of the market and future demand for the Shares.

Old EDV Shares have been listed and traded on the Toronto Stock Exchange. Nevertheless, the past trading performance of the Old EDV Shares on the Toronto Stock Exchange cannot be treated as indicative of the likely future development of the market and future demand for the Shares. The lack of a liquid public market for the Shares on the London Stock Exchange (particularly in the period immediately after Admission) may have a negative effect on the ability of shareholders to sell their Shares, or adversely affect the price at which a shareholder is able to sell their Shares. There can be no assurance as to the liquidity of any trading in the Shares on the London Stock Exchange, or that the Shares will be actively traded on the London Stock Exchange in the future. If an active trading market is not developed or maintained, the liquidity and trading price of the Shares could be adversely affected.

Future sales of Shares by major shareholders could depress the price of the Shares.

The Company's major shareholders (information on which is set out in paragraph 12 of Part 17 (*Additional Information*)) may sell a substantial number of Shares at any time, including in the period of time immediately following Admission and thereafter. The occurrence of such sales, or the perception that any such sales could occur, may significantly reduce the Company's share price. The Company's major shareholders, including its largest shareholder, La Mancha, are not entering into any agreement in connection with Admission that would impose restrictions on their ability to sell, transfer or otherwise deal in the Shares. La Mancha, or any of the Company's other major shareholders, may sell their Shares at any time.

The Company is unable accurately to predict if or when substantial numbers of Shares will be sold by any persons in the open market following Admission.

The issuance of additional Shares in the Company in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.

The Group may seek to raise financing to fund future acquisitions and other growth opportunities. The Company may, for these and other purposes, issue additional equity or convertible equity securities. As a result, existing holders of Shares may suffer dilution in their percentage ownership or the market price of the Shares may be adversely affected.

The Company's ability to pay dividends in the future depends, among other things, on the Group's financial performance and capital requirements.

There can be no guarantee that the Group's historic performance will be repeated in the future, particularly given the competitive nature of the industry in which it operates, and its profit and cash flow may significantly underperform market expectations. If the Group's cash flow underperforms market expectations, then its capacity to pay a dividend will suffer. Any decision to declare and pay dividends will be made at the discretion of the Directors and will depend on, among other things, applicable law, regulation, restrictions on the payment of dividends in the Group's financing arrangements, the Group's financial position, the Company's distributable reserves, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Directors deem significant from time to time.

The Company is a holding company with no business operations of its own and depends on its subsidiaries for cash, including in order to pay dividends.

The Company is a group holding company with no independent operations and is dependent on earnings and distributions of funds from its operating subsidiaries for cash, including in order to pay dividends to Shareholders.

As a matter of English law, the Company can pay dividends only to the extent that it has sufficient distributable reserves available, which depends upon the Company receiving cash from its operating subsidiaries in a manner which creates distributable reserves. The Company's ability to pay dividends to Shareholders therefore depends on its future Group profitability, the ability to distribute or dividend profits from its operating subsidiaries up the Group structure to the Company, general economic conditions and other factors the Directors deem significant. The ability of the Group to replenish its distributable reserves can be affected by reductions in profitability as well as by the impairment of assets.

Shareholders may become subject to foreign exchange rate risk as a result of an investment in the Shares.

Following Admission, the Shares will be quoted and traded in different currencies on the two stock exchanges on which they will trade: on the London Stock Exchange the Shares will be quoted in pounds sterling and on the Toronto Stock Exchange the Shares will be quoted in Canadian Dollars. Furthermore, dividends (if any) would be declared and paid by the Company in US Dollars.

As a consequence, the market price of the Shares, and the value of dividends in foreign currency terms, may fluctuate as a result of, among other factors, movements in the currency exchange rates between pounds sterling, Canadian Dollars and US Dollars.

Shareholders in the United States and other jurisdictions outside of the United Kingdom may not be able to participate in future equity offerings.

The Articles provide for pre-emption rights to be granted to Shareholders in the Company, unless such rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders in future offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless either the Shares and any other securities that are offered and sold are registered under the US Securities Act, or the Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Company cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable US or other Shareholders to exercise their pre-emption rights or, if available, that the Company will utilise any such exemption.

The rights afforded to Shareholders are governed by English law. Not all rights available to shareholders under US law will be available to holders of the Shares.

Rights afforded to shareholders under English law differ in certain respects from the rights of shareholders in typical US companies. The rights of holders of the Shares are governed by English law and the Articles. In particular, English law currently limits significantly the circumstances under which the shareholders of English companies may bring derivative actions. Under English law, in most cases, only the Company may be the proper plaintiff for the purposes of maintaining proceedings in respect of wrongful acts committed against it and, generally, neither an individual shareholder, nor any group of shareholders, has any right of action in such circumstances. In addition, English law does not afford appraisal rights to dissenting shareholders in the form typically available to shareholders in a US company.

PART 2
PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

Investors should only rely on the information contained in this Prospectus. No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors or any other person involved in the Admission. In particular, unless otherwise stated, the contents of the Group's website, the contents of any website accessible from hyperlinks on such website or any other website referred to in this Prospectus do not form part of this Prospectus and investors should not rely on them.

Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA and Rule 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date of this Prospectus or that the information in it is correct as of any time after the date of this Prospectus. The Company will comply with its obligation to publish supplementary prospectuses containing further updated information as required by law.

No representation or warranty, express or implied, is made, and no responsibility or liability is accepted by any person other than the Company and the Directors, as to the accuracy, completeness, verification or sufficiency of the information contained herein, and nothing in this Prospectus may be relied upon as a promise or representation in this respect, as to the past or future.

The Company will update the information provided in this document by means of a supplement hereto if a significant new factor that may affect the evaluation by investors of the Shares occurs prior to Admission or if this document contains any material mistake or inaccuracy. This Prospectus and any supplement thereto will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement.

Statements contained in any such supplement (or contained in any information incorporated by reference in such supplement) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in any information that is incorporated by reference in this Prospectus. Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

This Prospectus and any supplement will be subject to approval by the FCA (as competent authority under Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) and will be made public in accordance with the Prospectus Regulation Rules.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial advisor or tax advisor for legal, financial or tax advice and related aspects of a purchase of the Shares. In making an investment decision, each investor must rely on their own examination, analysis and enquiry of the Company, including the merits and risks involved.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company or the Directors or any of their respective affiliates or representatives that any recipient of this Prospectus should purchase Shares. Prior to making any decision as to whether to purchase Shares, prospective investors should read this Prospectus. Investors should ensure that they read the whole of this Prospectus carefully and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiry of the Company and the terms of this Prospectus, including the merits and risks involved.

None of the Company or the Directors or any of their affiliates or representatives is making any representation to any offeree, subscriber or purchaser of the Shares regarding the legality of an investment by such offeree, subscriber or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a subscription or purchase of the Shares.

Presentation of financial information

The financial information in this Prospectus has been prepared in accordance with International Accounting Standards as adopted by the United Kingdom ("**IFRS**"). The significant IFRS accounting policies applied in the financial information of the Group are applied consistently in the financial information in this Prospectus.

The Company was recently incorporated and as at the date of this Prospectus has no historical operations of its own. Therefore, this Prospectus does not present any standalone, unconsolidated financial information for the Company.

The Group's financial year runs from 1 January to 31 December.

The Group's consolidated historical financial information included in Section B of Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*) of this Prospectus has been prepared in accordance with the requirements of the Prospectus Regulation and the Listing Rules and in accordance with IFRS. The basis of preparation and significant accounting policies are set out within Note 2 of the Group's consolidated historical financial information. The accountant's report thereon, issued by BDO LLP, is included in Section A of Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*) and has been prepared in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom.

The unaudited historical financial information for the Group included in Part 13 (*Unaudited Historical Financial Information of the Group for the three months ended 31 March 2020 and 2021*) was prepared in accordance with the International Accounting Standard 34 as adopted by the United Kingdom.

The historical financial information for SEMAFO for the two years ended 31 December 2019 and the six months ended 30 June 2020 included in section B of Part 14 (*Historical Financial Information of SEMAFO*) has been prepared in accordance with the requirements of the Prospectus Regulation and the Listing Rules and in accordance with IFRS. The basis of preparation and significant accounting policies are set out within Notes 2 and 3 of the historical financial information for SEMAFO. The accountant's report thereon, issued by BDO LLP, is included in Section A of Part 14 (*Historical Financial Information of SEMAFO*) and has been prepared in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom.

The historical financial information for Teranga for the three years ended 31 December 2020 included in section B of Part 15 (*Historical Financial Information of Teranga*) has been prepared in accordance with the requirements of the Prospectus Regulation and the Listing Rules and in accordance with IFRS. The basis of preparation and significant accounting policies are set out within Notes 2 and 3 of the historical financial information for Teranga. The accountant's report thereon, issued by BDO LLP, is included in Section A of Part 15 (*Historical Financial Information of Teranga*) and has been prepared in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom.

None of the financial information used in this Prospectus has been audited in accordance with auditing standards generally accepted in the United States of America ("**US GAAS**") or auditing standards of the Public Company Accounting Oversight Board (United States) ("**PCAOB**"). In addition, there could be other differences between the standards issued by the Auditing Practices Board in the United Kingdom and those required by US GAAS or the auditing standards of the PCAOB. Potential investors should consult their own professional advisors to gain an understanding of the financial information in Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*) and the implications of differences between the auditing standards noted herein.

Pro forma financial information

The unaudited pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results. The pro forma financial information has been prepared on the basis set out in Section B of Part 16 (*Unaudited Pro Forma Financial Information*) of this document and in accordance with Annex 20 of the Prospectus Regulation. The pro forma financial information is stated on the basis of the accounting policies of the Group. As Teranga is fully consolidated into the unaudited consolidated statement of financial position of the Company as at 31 March 2021, no pro forma statement of net assets is provided at 31 December 2020 or as at 31 March 2021.

Non-IFRS financial information

This Prospectus contains a number of non-IFRS measures and ratios (together, the "**Non-IFRS Measures**"). These measures and ratios are not required by, or presented in accordance with, IFRS. The Non-IFRS Measures do not have any standardised meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures reported by other companies. We believe that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate our performance and ability to generate cash flow. This is provided as additional information and should not be considered in isolation, or as a substitute, for measures of performance prepared in accordance with IFRS. You should exercise caution in comparing the Non-IFRS Measures other companies as these measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. None of the Non-IFRS Measures is recognised as a measure of financial performance or liquidity under IFRS and none of the Non-IFRS Measures is indicative of our historical operating results, nor are they meant to be predictive of future results. The Non-IFRS Measures are used by our management to monitor the underlying performance of the business and the operations. In some cases, the Non-IFRS Measures presented throughout this Prospectus have not consistently been disclosed by us previously and have been calculated and presented for comparability purposes in this Prospectus only. As a result of the foregoing, investors should not place undue reliance on this data. The Non-IFRS Measures have limitations as analytical tools and you should not consider them in isolation or as a substitute for an analysis of our results as reported under IFRS. Some of these limitations are:

- they do not reflect our cash expenditure or future requirements for capital expenditure or contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on our debts;
- although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often need to be replaced in the future and Adjusted EBITDA and other ratios that use Adjusted EBITDA do not reflect any cash requirements that would be necessary for such replacements;
- some of the exceptional items that we eliminate in calculating Adjusted EBITDA and other ratios that use Adjusted EBITDA reflect cash payments that were made, or will in the future be made; and
- the fact that other companies in our industry may calculate Adjusted EBITDA and other ratios that use Adjusted EBITDA differently than we do, which limits their usefulness as comparative measures.

As a result of the above limitations, none of the Non-IFRS Measures should be considered in isolation or as a substitute for performance measures calculated in accordance with IFRS. We rely primarily on our IFRS results and use the Non-IFRS Measures only as a supplement to our results prepared in accordance with IFRS.

Please see the section entitled "*Selected Financial and Other Information*" for a reconciliation of the Non-IFRS Measures to our historical financial information.

The Non-IFRS measures included in this Prospectus are defined as follows:

- **EBITDA**: we define EBITDA as earnings/(loss) before taxes plus depreciation and depletion and finance costs.
- **Adjusted EBITDA**: we define Adjusted EBITDA as earnings/(loss) before taxes plus depreciation and depletion, impairment charge of mining interests, acquisition and restructuring costs, other expense/(income), finance costs and (gain)/loss on financial instruments.
- **Cash costs**: we define cash costs as operating expenses from mining operations plus royalties adjusted for certain non-cash adjustments included in operating expenses.
- **Cash costs per gold ounce sold**: we define cash costs per gold ounce sold as cash costs divided by ounces of gold sold.
- **All-in sustaining costs**: we define all-in sustaining costs as cash costs plus sustaining capital expenditures, exploration costs and general and administrative expenses.
- **Mine level all-in sustaining costs**: we define mine level all-in sustaining costs as cash costs per mine plus sustaining capital expenditures.
- **All-in sustaining costs per gold ounce sold**: we define all-in sustaining costs per gold ounce as all-in sustaining costs divided by ounces of gold sold.

- **Mine level all-in sustaining costs per gold ounce sold**: we define mine-level all-in sustaining costs per gold ounce sold as mine level all-in sustaining costs divided by ounces of gold sold.
- **All-in sustaining margin**: we define all-in sustaining margin as revenues less total cash costs, corporate general and administrative expenses, sustaining capital expenditures and sustaining exploration costs.
- **All-in margin**: we define all-in margin as all-in sustaining margin less non-sustaining capital expenditures and non-sustaining exploration costs.
- **Sustaining capital expenditures**: we define sustaining capital expenditures as capital considered to be expended to produce current ounces and maintain production at current levels.
- **Sustaining exploration costs**: we define sustaining exploration costs as those costs incurred to identify new resources or convert existing inferred mineral resources to mineable measured and indicated mineral resources and replace ounces produced in the current period.
- **Non-sustaining capital expenditures**: we define non-sustaining capital expenditures as capital expenditures incurred at new projects and costs related to major projects or expansions at existing operations where these projects will materially benefit the operations.
- **Non-sustaining exploration costs**: we define non-sustaining exploration costs as those costs incurred to significantly increase resources in or around existing operations, or to establish resources at new projects.
- F**ree cash flow (before working capital, growth projects, exploration expense, tax, other operating cash flow changes and financing costs)**: we define free cash flow (before working capital, growth projects, exploration expense, tax, other operating cash flow changes and financing costs) as all-in sustaining margin less non-sustaining capital expenditures and non-sustaining exploration costs.
- **Net free cash flow from operations**: we define net free cash flow from operations as free cash flow (before working capital, growth projects, exploration expense, tax, other operating cash flow changes and financing costs) less changes in working capital and other non-cash changes, growth projects, exploration expenses, taxes paid, interest paid and other operating cash flow changes.
- **Net debt**: we define net debt as cash and cash equivalents less equipment finance obligations, amounts draw under the Revolving Credit Facility and the Convertible Bond.
- **Return on capital employed**: we define return on capital employed, which is expressed as a percentage, as Adjusted EBITDA less depletion and depreciation, divided by the average of the opening and closing capital employed for the twelve months preceding the period end. Capital employed is the total assets less current liabilities.

Presentation of Mineral Reserves and Mineral Resources Estimates

The technical and scientific information included in this Prospectus concerning our material mineral properties is derived from the Competent Person's Report set out in Annex I (the "**Competent Person's Report**"). The Group reports its Mineral Resources and Mineral Reserves in accordance with CIM Standards as defined below. The Competent Person's Report has adopted the "*The 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia*" (the "**JORC Code**"). The Competent Person's Report also confirms that all Mineral Resource and Ore Reserves statements are identical in all material respects to the reporting standard adopted by the Group and Appendix A of the Competent Person's Report also includes the Mineral Resources and Mineral Reserves as reported in accordance with CIM Standards (as defined below).

Unless otherwise noted, the estimated Mineral Reserves and Mineral Resources for our various mines and mineral projects, as disclosed in this Prospectus, have been reported in accordance with the definitions and guidelines for the reporting of exploration information, Mineral Reserves and Mineral Resources determined by the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (the "**CIM Standards**"), as required by NI 43 101. The following definitions are reproduced from the CIM Standards adopted by the CIM Council on May 10, 2014.

"Mineral Resources" are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories. An inferred Mineral Resource has a lower level of confidence than that applied to an indicated Mineral Resource. An indicated Mineral Resource has a higher level of confidence than an inferred Mineral Resource but has a lower level of confidence than a measured Mineral Resource. A Mineral Resource

is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Material of economic interest refers to diamonds, natural solid inorganic material, or natural solid fossilised organic material, including base and precious metals, coal, and industrial minerals. The term 'Mineral Resource' covers mineralisation and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined by the consideration and application of modifying factors. The phrase 'reasonable prospects for eventual economic extraction' implies a judgement by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. The Qualified Person should consider and clearly state the basis for determining that the material has reasonable prospects for eventual economic extraction. Assumptions should include estimates of Cut-off Grade and geological continuity at the selected cut-off, metallurgical recovery, smelter payments, commodity price or product value, mining and processing method and mining, processing and general and administrative costs. The Qualified Person should state if the assessment is based on any direct evidence and testing. Interpretation of the word 'eventual' in this context may vary depending on the commodity or mineral involved. For example, for some coal, iron, potash deposits and other bulk minerals or commodities, it may be reasonable to envisage 'eventual economic extraction' as covering time periods in excess of 50 years. However, for many gold deposits, application of the concept would normally be restricted to perhaps 10 to 15 years, and frequently to much shorter periods of time.

"Mineral Reserves" are sub-divided in order of increasing confidence into probable Mineral Reserves and proven Mineral Reserves. A probable Mineral Reserve has a lower level of confidence than a proven Mineral Reserve. A Mineral Reserve is the economically mineable part of a measured and/or indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at a pre-feasibility or feasibility level as appropriate that include application of modifying factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study. Mineral Reserves are those parts of Mineral Resources which, after the application of all mining factors, result in an estimated tonnage and grade which, in the opinion of the Competent Person(s) making the estimates, is the basis of an economically viable project after taking account of all relevant modifying factors. Mineral Reserves are inclusive of diluting material that will be mined in conjunction with the Mineral Reserves and delivered to the treatment plant or equivalent facility. The term 'Mineral Reserve' need not necessarily signify that extraction facilities are in place or operative or that all governmental approvals have been received. It does signify that there are reasonable expectations of such approvals. 'Reference point' refers to the mining or process point at which the Qualified Person prepares a Mineral Reserve. For example, most metal deposits disclose mineral reserves with a "mill feed" reference point. In these cases, reserves are reported as mined ore delivered to the plant and do not include reductions attributed to anticipated plant losses. In contrast, coal reserves have traditionally been reported as tonnes of "clean coal". In this coal example, reserves are reported as a "saleable product" reference point and include reductions for plant yield (recovery). The Qualified Person must clearly state the 'reference point' used in the Mineral Reserve estimate.

This Prospectus uses the terms "inferred Mineral Resource," "indicated Mineral Resources," "measured Mineral Resource," "Mineral Reserve," "probable Mineral Reserve" and "proven Mineral Reserve" in connection with the presentation of resources, each as defined in accordance with the CIM Standards. These standards differ significantly from the mineral reserve disclosure requirements of the SEC. Consequently, Mineral Reserve and Mineral Resource information contained in this Prospectus is not comparable to similar information that would generally be disclosed by companies in accordance with the rules of the SEC.

On 31 October 2018, the SEC adopted amendments to its disclosure rules to modernise the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the Exchange Act. These amendments became effective 25 February 2019, with compliance required for the first fiscal year beginning on or after 1 January 2021. Under the new SEC amendments, the historical property disclosure requirements for mining registrants included in Industry Guide 7 under the U.S. Securities Act have been rescinded and replaced with disclosure requirements in subpart 1300 of Regulation S-K.

As a result of the adoption of subpart 1300 of Regulation S-K, the SEC's standards for mining property disclosures are now more closely aligned to the JORC Code's requirements. For example, the SEC now recognises estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources." In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be "substantially similar" to the corresponding standards under the JORC Code. However, despite these similarities, SEC standards are still not identical to the JORC Code. Accordingly, investors are cautioned that there can be no assurance that the reserves and resources reported by the Company under the JORC Code would be the same had it prepared its reserve or resource estimates under the standards adopted under subpart 1300 of Regulation S-K.

There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Our reported Mineral Reserves, Mineral Resources, recoveries and operating costs are based upon determinations and assessments that are inherently uncertain, including our interpretation of geological data obtained from inexact sampling techniques and our assessment of whether reasonable and realistic prospects exist for the eventual economic extraction of mineralisation. Our estimated Mineral Reserves and Mineral Resources as set out in this Prospectus are current as of 31 December 2020 and are based on determinations, assessments, judgements, assumptions and forecasts relating to mining, metallurgical, economic, marketing, legal, environmental, social, governmental and other factors that we considered to be reasonable as of the date of the Competent Person's Report and our most recent estimates.

Any future changes to such determinations, assessments, judgements, assumptions and forecasts, however, whether based on new information, legislative or regulatory changes, market or industry developments or other circumstances, including changes in our view of future prices, currency exchange rates, future production costs, metal recovery rates, Cut off Grades, mining losses or dilution, could cause us to restate our Mineral Reserves and Mineral Resources. Any such restatement could involve a reduction in our reported Mineral Reserves and Mineral Resources, and such reduction could be material. In addition, any such change in Mineral Reserves could impact our depreciation and amortisation rates, asset carrying values, deferred stripping calculations and provisions for close-down, restoration and environmental rehabilitation costs. No assurance can be given that the Mineral Reserves and Mineral Resources presented in this Prospectus will be recovered at the quality or yield presented. In addition, investors should not assume that the Mineral Resource estimates will be reclassified as Mineral Reserves under the CIM Standards.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to "sterling", "pounds sterling", "UK sterling", "GBP", "£", or "pence" are to the lawful currency of the United Kingdom. All references to the "Canadian dollars", "CA$" or "CAD" are to the lawful currency of Canada. All references to "U.S. dollars", "U.S.$", "USD" or "$" are to the lawful currency of the United States.

The average exchange rates of U.S. dollars and Canadian dollars are shown relative to pounds sterling below. The rates below may differ from the actual rates used in the preparation of the financial statements and other financial information that appears elsewhere in this Prospectus. The inclusion of these exchange rates is for illustrative purposes only and does not mean that the sterling amounts actually represent such U.S. dollar or Canadian dollars amounts or that such sterling amounts could have been converted into U.S. dollars or Canadian dollars at any particular rate, if at all.

Average rate against pounds sterling

	U.S. dollar			
Year	**Period End**	**Average**	**High**	**Low**
2016	1.2345	1.3554	1.4810	1.2158
2017	1.3524	1.2886	1.3582	1.2068
2018	1.2746	1.3351	1.4325	1.2516
2019	1.3263	1.2767	1.3326	1.2060
2020	1.3651	1.2838	1.3651	1.1555
2021 (through May 2021)	1.4188	1.3856	1.4193	1.3526

Year	Canadian dollar			
	Period End	Average	High	Low
2016	1.6574	1.7960	2.0731	1.6017
2017	1.6985	1.6720	1.7792	1.5874
2018	1.7365	1.7924	1.8351	1.6637
2019	1.7213	1.6940	1.7740	1.5910
2020	1.7429	1.7200	1.7849	1.6714
2021 (through May 2021)	1.7136	1.7352	1.7772	1.6933

Source: Bloomberg

Roundings

Certain data in this Prospectus, including financial, statistical, and operating information has been rounded. As a result of the rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

Market, economic and industry data

Unless the source is otherwise stated, the information contained in this Prospectus related to markets, market sizes, market shares, market positions, economic and industry data in this Prospectus constitute the Directors' estimates, using underlying data from independent third parties. The Company obtained market data and certain industry forecasts used in this Prospectus from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications, including publications and data compiled by the World Gold Council.

The Company confirms that all third-party data contained in this Prospectus has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. While the Directors believe the third-party information included herein to be reliable, the Company has not independently verified such third-party information, and the Company makes no representation or warranty as to the accuracy or completeness of such information as set forth in this Prospectus.

Where third-party information has been used in this Prospectus, the source of such information has been identified.

Service of process and enforcement of civil liabilities

The Company is a public limited company incorporated under English law. Many of the Directors are citizens of the United Kingdom (or other non-US jurisdictions), and a portion of the Company's assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Directors or to enforce against them in the US courts judgments obtained in US courts predicated upon the civil liability provisions of the US federal securities laws. There is doubt as to the enforceability in England, in original actions or in actions for enforcement of judgments of the US courts, of civil liabilities predicated upon US federal securities laws.

No incorporation of website information

Save for those documents that have been made available for inspection on the Company's website as described in paragraph 27 (*Documents available for inspection*) of Part 17 (*Additional Information*), the contents of the Company's website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and investors should not rely on such information. The contents of the Company's website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites do not form part of this Prospectus.

Definitions and glossary

Certain terms used in this Prospectus, including all capitalised terms and certain technical and other items, are defined and explained in Part 19 (*Definitions and Glossary*).

Information not contained in this Prospectus

No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised by or on behalf of the Company or the Directors. Neither the delivery of this Prospectus nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date of this Prospectus or that the information in this Prospectus is correct as of any time subsequent to the date hereof.

Information regarding forward-looking statements

This Prospectus may contain "forward-looking statements" including but not limited to, statements with respect to the Group's future cash position, plans of possibly increasing its shareholder return programme, the implementation of a sustainable dividend policy and the payment of future dividends. 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 the Group operates. Although the Group 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.

In particular, the statements under the headings "Summary", "Risk Factors", "Business Description" and "Operating and Financial Review" regarding the Company's strategy, targets and other future events or prospects are forward-looking statements.

The declaration and payment of future dividends and the amount of any such dividends will be subject to the determination of the Board of Directors of the Company, in its sole and absolute discretion, taking into account, among other things economic conditions, business performance, financial condition, growth plans, expected capital requirements, compliance with the Group's constating documents, all applicable laws, including the rules and policies of any applicable stock exchange, as well as any contractual restrictions on such dividends, including any agreements entered into with lenders to the Group, and any other factors that the Board of Directors of the Company deems appropriate at the relevant time. There can be no assurance that any dividends will be paid at the intended rate or at all in the future.

Such forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. The Company, the Directors, and the Company's advisors expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Regulation Rules, the Listing Rules, or the Disclosure Guidance and Transparency Rules of the FCA.

The statements above related to forward-looking statements should not be construed as a qualification of the working capital statement contained in paragraph 21 (*Working capital*) of Part 17 (*Additional Information*) of this Prospectus.

PART 3
DIRECTORS, SECRETARY, REGISTERED AND HEAD OFFICE AND ADVISORS

Directors	Michael Beckett (*Chair*) Sébastien de Montessus (*Chief Executive Officer*) James Askew (*Non-Executive Director*) Alison Baker (*Independent Non-Executive Director*) Sofia Bianchi (*Independent Non-Executive Director*) Carmen Letton (*Independent Non-Executive Director*) Livia Mahler (*Independent Non-Executive Director*) David Mimran (*Non-Executive Director*) Naguib Sawiris (*Non-Executive Director*) Tertius Zongo (*Independent Non-Executive Director*)
Company Secretary	Morgan Carroll
Registered and head office of the Company	5 Young Street London W8 5EH United Kingdom
Sponsor	Barclays Bank PLC 5 The North Colonnade Canary Wharf London E14 4BB United Kingdom
English and US legal advisors to the Company	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom
English and US legal advisors to the Sponsor	Clifford Chance LLP 10 Upper Bank Street London E14 5JJ United Kingdom
Canadian legal advisor to the Company	McCarthy Tétrault LLP 66 Wellington Street West Suite 5300, TD Bank Tower Box 48 Toronto ON M5K 1E6 Canada
Cayman Islands legal advisor to the Company	Mourant LLP 94 Solaris Avenue, Camana Bay Grand Cayman KY1-1108 Cayman Islands
Auditor and Reporting Accountant	BDO LLP 55 Baker St London W1U 7EU United Kingdom
UK Registrar	Computershare Investor Services plc The Pavilions Bridgwater Road Bristol BS99 6ZZ United Kingdom

Canadian Registrar	Computershare Investor Services Inc 100 University Avenue 8th Floor Toronto Ontario M5J 2Y1
Technical Expert	SRK Consulting (UK) Limited 5th Floor Churchill House 17 Churchill Way City and County of Cardiff, CF10 2HH United Kingdom

PART 4
EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Expected timetable of principal events[1]

Event	Expected time/date
Publication of this Prospectus	9 June 2021
Scheme Effective Date	11 June 2021
Shares admitted to Official List, and dealings in Shares commence on the London Stock Exchange's Main Market	8.00 am on 14 June 2021
Shares admitted to listing and posted for trading on the Toronto Stock Exchange, and dealings in Shares commence on the Toronto Stock Exchange[2]	9.30 am (Toronto time) on 16 June 2021
English Court Hearing to sanction the Reduction of Capital	29 June 2021
Reduction of Capital becomes effective	On or around 29 June 2021

(1) All dates and times are (unless otherwise stated) the relevant time in London, United Kingdom. **The dates and time given are indicative only based on current expectations and are subject to change**.

(2) To facilitate the settlement of outstanding trades in Old EDV Shares, the commencement of trading of Shares on the Toronto Stock Exchange will take place two to three Business Days after the Scheme Effective Date. Outstanding trades in Old EDV Shares will continue on an entitlement basis until such time as the Shares commence trading on the Toronto Stock Exchange

PART 5
INDUSTRY OVERVIEW

The following information relating to the Group's industry has been provided for background purposes only. The information in this section has been extracted from metrics and information published by the World Gold Council. The information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Investors should read this Part 5 (Industry Overview) in conjunction with the more detailed information contained in this Prospectus including Part 1 (Risk Factors) and Part 10 (Operating and Financial Review).

Background

Gold benefits from diverse sources of demand: as an investment, a reserve asset, a luxury good and a technology component. Gold is a traditional safe-haven asset: scarce, yet highly liquid, it offers effective downside portfolio protection. During difficult times gold is both an investment and a luxury good, which reduces its correlation to other assets and the global supply of gold is balanced, deep and broad, limiting uncertainty and volatility.

The global gold market is large, global and highly liquid. The World Gold Council estimates that in 2020, physical gold holdings by investors and central banks were worth approximately U.S.$3.7 trillion, with an additional U.S.$900 billion in open interest through derivatives traded on exchanges or the over-the-counter market. According to the World Gold Council, gold's trading volumes averaged U.S.$145 billion per day in 2019. During that period, over-the-counter spot and derivatives contracts accounted for U.S.$78 billion and gold futures traded U.S.$65 billion per day across various global exchanges. Gold-backed ETFs offer an additional source of liquidity, with the largest US-listed funds trading an average of U.S.$2 billion per day.

Global gold supply

Gold supply is sourced by both new gold production from mining and gold recycling and recovery. In 2020, total global gold supply fell by 4 per cent. from 2019 to 4,633.1t, the largest annual decline since 2013. The drop was primarily due to disruptions caused by the COVID-19 pandemic. Mine production declined 4 per cent. between 2019 and 2020, while the global hedge book fell by 65.1t, more than reversing the small increase in hedging seen in 2019. Lockdown restrictions also impeded consumers' ability to sell gold back. The supply of recycled gold grew by only 1 per cent. despite record gold prices in every market. That said, at 1,297.4t, 2020 marks the highest level of recycling since 2012 (1,645.1t).

Mine Production

Mine production in the final quarter of 2020 fell 3 per cent. to 896.3t, compared to the prior period. This was the lowest level of fourth quarter mine output since 2015 and the seventh successive quarter of period on period declines. Gold mine production totalled 3,400.8t in 2020, 4 per cent. lower than in 2019. This was the second consecutive annual decline in production and the first consecutive annual drop since 1975.

COVID-19 pandemic interruptions were the main reason for lower mine production in 2020, and the impact varied both geographically and over time. Regionally, Asian production was hit hardest in the first quarter, as was output from the Commonwealth of Independent States (CIS) region, although the latter was likely influenced by normal weather-related seasonality. Africa and the Americas saw COVID-19 interruptions hit production the hardest in the second quarter, while Oceania saw production declining over the year, but this was only partly related to COVID-19.

Recycled Gold

In the first quarter of 2021, recycling declined 1 per cent. against the prior period, totalling 328.6t. This brought the annual supply of recycled gold to 1,297.4t, the highest since 2012, but only 1 per cent. higher against the prior period despite the sharp increase in gold prices in 2020. In the first half of 2020, consumer access to retail outlets was hampered by lockdowns, helping to explain the decline in recycling in the second quarter. But while lockdowns generally eased in the second half of the year, the 7 per cent. jump in recycling compared to the prior period seen in the third quarter was not repeated in the fourth quarter. Instead, recycling supply slipped 2 per cent. compared to the prior period to 328.6t.

Global gold demand

The COVID-19 pandemic was the driving factor behind weakness in consumer demand throughout 2020, culminating in a 14 per cent. decline in annual demand to 3,759.6t, the first sub-4,000t year since 2009.

2020 marked a record low for gold jewellery demand. Despite a quarterly recovery in the fourth quarter, demand was unable to overcome the continued challenges presented by COVID-19.

Central bank buying slowed sharply in 2020, particularly in the second half of the year. The fourth quarter saw a return to modest net buying (44.8t) after the prior quarter's small net sale. Annual central bank purchases came to 272.9t (-59 per cent.) of which 86 per cent. was added in the first half of 2020. Gold buying by central banks slowed sharply in 2020, almost 60 per cent. lower at 273t. The fourth quarter saw a return to net buying: global official reserves grew by 44.8t during the quarter, more than reversing the 6.5t of net sales from the third quarter.

Inflows into global gold ETFs reached an annual record of 877.1t (U.S.$47.9 billion). Increased uncertainty and the policy response to the COVID-19 pandemic fuelled consistent inflows through October, before a recovery in sentiment and a drop in the gold price led to 130t of outflows in the fourth quarter.

The technology sector, impacted by disruption from COVID-19, saw gold usage decline 7 per cent. in 2020 to 301.9t. But the year ended on a relatively positive note, with the fourth quarter seeing marginal period on period growth to 84t.

Recent Gold price performance

In the first half of 2020, the economic recession and geopolitical uncertainty caused by the COVID-19 pandemic bolstered an already bullish backdrop formed of low U.S. interest rates, with the Fed cutting rates three times in 2019, a weakening U.S. dollar amid US-China tensions, and strong physical demand from central banks diversifying their reserves away from the U.S. dollar, driving gold prices to record levels, until 6 August 2020, when it hit an all-time high of around U.S.$2,075 per ounce. Gold prices then eased significantly in the second half of 2020 to around U.S.$1,777 per ounce as of 30 November 2020, as sentiment towards gold weakened following positive COVID-19 vaccine developments and hopes for improved economic rebound in 2021. After a small year-end rally to around U.S.$1,895 per ounce as of 31 December 2020, gold was still among the top performers overall over 2020, up around 25 per cent. from the beginning of the year.

Gold prices have eased in 2021 on the back of global vaccine deployment and strengthening macroeconomic fundamentals. Through the first half of 2021, a move up in global interest rates in response to higher growth and inflation expectations led to a significant bond sell off. This rise in rates has pulled gold prices down further and gold prices through May 2020 are down approximately 7 per cent. since pandemic highs in August 2020.

PART 6
MINERAL RESERVES AND RESOURCES

The following table sets out our Mineral Resources (including Mineral Reserves) and Mineral Reserves as of 31 December 2020 and has been extracted without material adjustment from the Competent Person's Report included in Annex I.

	On a 100% basis			On an attributable basis		
Resources shown inclusive of Reserves	**Tonnage (Mt)**	**Grade (Au g/t)**	**Content (Au koz)**	**Tonnage (Mt)**	**Grade (Au g/t)**	**Content (Au koz)**
Boungou Mine (90% owned)						
Proven Reserves	1.7	3.83	213	1.6	3.83	191
Probable Reserves	6.8	3.60	791	6.1	3.60	712
P&P Reserves	8.6	3.65	1,004	7.7	3.65	904
Measured Resource (incl. reserves)	1.9	3.89	244	1.8	3.89	219
Indicated Resources (incl. reserves)	12.5	3.23	1,295	11.2	3.23	1,165
M&I Resources (incl. reserves)	14.4	3.32	1,538	13.0	3.32	1,385
Inferred Resources	0.8	3.03	82	0.8	3.03	74
Houndé Mine (90% owned except 100% owned Golden Hill)						
Proven Reserves	2.6	1.26	104	2.3	1.26	93
Probable Reserves	43.7	1.76	2,480	39.4	1.76	2,232
P&P Reserves	46.3	1.74	2,584	41.7	1.74	2,326
Measured Resource (incl. reserves)	2.8	1.26	112	2.5	1.26	101
Indicated Resources (incl. reserves)	79.2	1.75	4,469	72.6	1.76	4,098
M&I Resources (incl. reserves)	82.0	1.74	4,581	75.1	1.74	4,198
Inferred Resources	18.3	1.69	999	17.7	1.70	966
Ity Mine (85% owned except 90% owned Le Plaque)						
Proven Reserves	10.2	0.95	312	8.7	0.95	265
Probable Reserves	43.7	1.73	2,433	37.5	1.74	2,096
P&P Reserves	53.9	1.58	2,745	46.2	1.59	2,361
Measured Resource (incl. reserves)	11.6	0.95	354	9.8	0.95	301
Indicated Resources (incl. reserves)	65.6	1.62	3,407	56.1	1.62	2,930
M&I Resources (incl. reserves)	77.1	1.52	3,762	66.0	1.52	3,231
Inferred Resources	17.9	1.32	762	15.3	1.33	651
Karma Mine (90% owned)						
Proven Reserves	0.3	0.40	4	0.3	0.40	4
Probable Reserves	5.2	0.93	154	4.6	0.93	138
P&P Reserves	5.5	0.90	158	4.9	0.90	142
Measured Resource (incl. reserves)	0.3	0.40	4	0.3	0.40	4
Indicated Resources (incl. reserves)	47.7	1.24	1,894	42.9	1.24	1,705
M&I Resources (incl. reserves)	48.0	1.23	1,898	43.2	1.23	1,708
Inferred Resources	16.2	1.30	679	14.6	1.30	611
Mana Mine (90% owned)						
Proven Reserves	5.7	3.18	578	5.1	3.18	520
Probable Reserves	8.6	3.05	839	7.7	3.05	755
P&P Reserves	14.2	3.10	1,418	12.8	3.10	1,276
Measured Resource (incl. reserves)	10.8	2.19	758	9.7	2.19	683
Indicated Resources (incl. reserves)	34.5	2.03	2,250	31.0	2.03	2,025
M&I Resources (incl. reserves)	45.2	2.07	3,009	40.7	2.07	2,708
Inferred Resources	10.2	2.14	701	9.2	2.14	630
Sabodala-Massawa Complex (90% owned)						
Proven Reserves	17.3	1.25	696	15.6	1.25	626
Probable Reserves	60.1	2.12	4,101	54.1	2.12	3,691
P&P Reserves	77.4	1.93	4,796	69.6	1.93	4,317
Measured Resource (incl. reserves)	19.4	1.38	862	17.5	1.38	775
Indicated Resources (incl. reserves)	82.7	2.17	5,778	74.4	2.17	5,201
M&I Resources (incl. reserves)	102.1	2.02	6,640	91.9	2.02	5,976
Inferred Resources	24.3	2.21	1,728	21.8	2.21	1,555

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)
Wahgnion Mine (90% owned)						
Proven Reserves	2.2	1.23	86	2.0	1.23	77
Probable Reserves	24.3	1.64	1,282	21.8	1.64	1,154
P&P Reserves	26.4	1.61	1,367	23.8	1.61	1,230
Measured Resource (incl. reserves)	2.4	1.23	97	2.2	1.23	87
Indicated Resources (incl. reserves)	41.8	1.53	2,055	37.6	1.53	1,850
M&I Resources (incl. reserves)	44.2	1.51	2,152	39.8	1.51	1,937
Inferred Resources	5.1	1.52	250	4.6	1.52	225
Bantou (90% owned except 81% owned Karankasso)						
Proven Reserves	—	—	—	—	—	—
Probable Reserves	—	—	—	—	—	—
P&P Reserves	—	—	—	—	—	—
Measured Resource (incl. reserves)	—	—	—	—	—	—
Indicated Resources (incl. reserves)	—	—	—	—	—	—
M&I Resources (incl. reserves)	—	—	—	—	—	—
Inferred Resources	51.1	1.37	2,245	44.9	1.36	1,956
Fetekro (80% owned)						
Proven Reserves	—	—	—	—	—	—
Probable Reserves	32.0	2.07	2,133	25.6	2.07	1,706
P&P Reserves	32.0	2.07	2,133	25.6	2.07	1,706
Measured Resource (incl. reserves)	—	—	—	—	—	—
Indicated Resources (incl. reserves)	32.0	2.40	2,470	25.6	2.40	1,976
M&I Resources (incl. reserves)	32.0	2.40	2,470	25.6	2.40	1,976
Inferred Resources	0.8	2.51	66	0.7	2.51	53
Kalana Project (80% owned)						
Proven Reserves	—	—	—	—	—	—
Probable Reserves	35.6	1.60	1,829	28.5	1.60	1,463
P&P Reserves	35.6	1.60	1,829	28.5	1.60	1,463
Measured Resource (incl. reserves)	—	—	—	—	—	—
Indicated Resources (incl. reserves)	46.0	1.56	2,302	36.8	1.56	1,842
M&I Resources (incl. reserves)	46.0	1.56	2,302	36.8	1.56	1,842
Inferred Resources	4.6	1.67	245	3.6	1.67	196
Nabanga (90% owned)						
Proven Reserves	—	—	—	—	—	—
Probable Reserves	—	—	—	—	—	—
P&P Reserves	—	—	—	—	—	—
Measured Resource (incl. reserves)	—	—	—	—	—	—
Indicated Resources (incl. reserves)	—	—	—	—	—	—
M&I Resources (incl. reserves)	—	—	—	—	—	—
Inferred Resources	3.4	7.69	841	3.1	7.69	757
Total—Endeavour Mining						
Proven Reserves	39.9	1.55	1,992	35.4	1.56	1,777
Probable Reserves	259.9	1.92	16,042	225.3	1.93	13,947
P&P Reserves	299.8	1.87	18,034	260.8	1.88	15,724
Measured Resource (incl. reserves)	49.2	1.54	2,431	43.7	1.54	2,170
Indicated Resources (incl. reserves)	441.9	1.82	25,921	388.3	1.83	22,791
M&I Resources (incl. reserves)	491.1	1.80	28,352	432.0	1.80	24,961
Inferred Resources	152.8	1.75	8,598	136.1	1.75	7,675

Notes:

(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 demonstrate economic viability.

(3) Mineral Resources are reported inclusive of Mineral Reserves.

(4) Tonnages are rounded to the nearest 100,000 tonnes; gold grades are rounded to one decimal place; ounces are rounded to the nearest 1,000 oz. 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) Processing recoveries vary at each pit by many factors including material types, mineralogy and chemistry of the ore. The overall average recoveries are around 92 per cent. at Boungou, 91 per cent. at Houndé, 83 per cent. at Ity, 87 per cent. at Mana, 82 per cent. Karma, 88 per cent. at Sabodala, 93 per cent. at Wahgnion, 94.7 per cent. at Fetekro and 90.5 per cent. at Kalana.

(7) The reporting of Mineral Reserves and Resources are based on a gold price as detailed below:

Mines[1]	Ity	Karma	Houndé	Mana	Boungou	Sabodala-Massawa	Wahgnion
Reserves Au price $/oz	1,300	1,300	1,300	1,500 OP 1,300 UG	1,300	1,300 OP 1,200 UG	1,300
Resources Au price $/oz	1,500	1,500	1,500	1,500–1,700	1,500	1,500	1,500

Projects[1]	Kalana	Fetekro	Bantou	Nabanga	Golden Hill
Reserves Au price $/oz	1,500	1,500	n.a.	n.a.	n.a.
Resources Au price $/oz	1,500	1,500	1,500	1,500	1,500

Notes:

(1) Gold cut-off grades for Mineral Reserves are as follows:

Boungou is 1.2 g/t for Oxide and 1.3 g/t for transitional and fresh ore.

Ity cut-off grades vary between 0.4 g/t to 0.6 g/t except the Daapleu Transitional and Fresh, which is 0. 8g/t, and VSM part of Fresh cut-off grades is 0.9 g/t

Houndé cut-off grades vary between 0.4 g/t to 0.7 g/t

Karma cut-off grades vary between 0.3 g/t to 0.5 g/t

Mana open pit cut-off grades vary between 0.5 g/t to 0.9 g/t

Mana Siou UG cut-off grade is 2.5 g/t

Mana Wona UG cut-off grade is 2.25 g/t

Kalana cut-off grade varies between 0.4 g/t to 0.6 g/t

Fetekro cut-off grade is 0.3 g/t for Oxide ore and 0.4 g/t for Transitional and Fresh ore.

Sabodala—Massawa open pit Mineral Reserve cut-off grades range from 0.37Au g/t to 0.55 Au g/t for Oxide, 0.43 Au g/t to 0.67 Au g/t for Sulphide ore and 1.24 Au g/t to 1.26 Au g/t for Refractory ore.

Sabodala—Massawa underground Mineral Reserve cut-off grades range from 2.5 Au g/t to 2.6 Au g/t.

Wahgnion Mineral Reserve cut-off grades range from 0.40 Au g/t to 0.48 g/t Au for Oxide ore and 0.49 Au g/t to 0.69 Au g/t for Sulphide ore.

Mana, Boungou and Bantou Mineral Resources are based on a gold price of $1,500/oz except for Wona open pit which is at $1,700/oz.

Mana OP Mineral Resources are reported at a cut-off grade as defined by deposit and material type, varying from Oxide at 0.41 to 0.56 Au g/t, Transition at 0.44 to 0.69 Au g/t and Sulphide at 0.72 to 2.54 g/t Au.

Cut-off grades for open-pit Mineral Resources at Boungou are defined by material type: Oxide at 0.91 Au g/t, Transition at 0.91 g/t Au and Sulphide 1.05 at Au g/t.

Cut-off grades for Mineral Resources in the Bantou Project are defined by deposit, varying from 0.43 Au g/t to 0.86 Au g/t.

Cut-off grades for underground Mineral Resources at Boungou is 2.0 Au g/t.

Cut-off grades for underground Mineral Resources at Siou is 2.2 Au g/t.

Cut-off grades for underground Mineral Resources at Wona is 1.8 Au g/t.

Cut-off grades for Mineral Resources of Nabanga is at 3.0 Au g/t.

Cut-off grades for open pit Mineral Resources at Sabodala—Massawa range from 0.31 Au g/t to 1.09 Au g/t.

Cut-off grades for underground Mineral Resources at Sabodala-Massawa range from 2.0 Au g/t to 2.84 Au g/t.

Cut-off grades for Wahgnion open pit Mineral Resources range from 0.35 Au g/t to 0.60 Au g/t.

Golden Hill project has been consolidated under the Houndé Mine. Cut-off grades for Golden Hill open pit Mineral Resources range from 0.49 Au g/t to 0.55 Aug/t.

PART 7
BUSINESS DESCRIPTION

Investors should read this Part 7 (Business Description) in conjunction with the more detailed information contained in this Prospectus including the financial and other information appearing in Part 10 (Operating and Financial Review). Financial information in this section has been extracted from Part 12 (Historical Financial Information of the Group for the three years ended 31 December 2020), Part 13 (Unaudited Historical Financial Information of the Group for the Three Months Ended 31 March 2020 and 2021) and technical information has been extracted from the Competent Person's Report included in Annex I.

In this Prospectus, the words "we," "us," and "our" refer to the Company together with our subsidiaries and joint ventures on a consolidated basis, except where otherwise specified or clear from the context. Any projections and other forward-looking statements in this section are not guarantees of future performance and actual results could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See "Risk Factors" and "Presentation of Financial and Other Information—Information Regarding Forward-Looking Statements".

Overview

We are a multi-asset gold producer focused on West Africa. Our assets include the Ity Mine in Côte d'Ivoire, the Boungou, Houndé, Karma, Mana and Wahgnion Mines in Burkina Faso, and the Sabodala-Massawa Mine in Senegal. We also have four development projects, Fetekro, Kalana, Bantou and Nabanga and a strong portfolio of exploration assets on the highly prospective Birimian Greenstone Belt across Burkina Faso, Côte d'Ivoire, Mali, Senegal, Niger and Guinea. With our technical and management teams based in proximity to our mines and our senior management team spending significant time in the countries in which we operate, we have established a proven track record of successful exploration, project development and operational management in the Birimian Greenstone Belt. Over the last five years, we have strategically repositioned ourselves as a leading West African gold producer, and have reshaped our asset portfolio, through both organic development and through acquisitions and disposals. In July 2020, we completed the acquisition of SEMAFO, which added the Boungou and Mana mines to our portfolio. In February 2021, we completed the acquisition of Teranga, adding the Sabodala-Massawa and Wahgnion mines to our portfolio.

Our management approach remains focused on applying our proven technical and operational skill set to generate strong cash flows from our low-cost, high-margin producing mines, and to successfully deliver our development projects as part of our pursuit of organic growth.

We operate in Burkina Faso, Côte d'Ivoire, Mali and Senegal, which are part of the West African Economic and Monetary Union ("**UEMOA**"). The UEMOA has a common central bank for the eight Francophone nations within the union, as well as a common currency, the Franc CFA, which is pegged to the Euro. The fiscal and monetary policies tend to be aligned with guidance from the International Monetary Fund ("**IMF**") and the states within the union have undergone democratic elections in the past decade and are closely monitored by the IMF. The mining codes in West Africa are very similar to those in developed countries and there are standard tax principles in the region in which we operate.

We are a diversified gold producer, with numerous open pit and underground ore sources at seven different mines across three countries in West Africa. As one of a limited number of gold producers that operate regionally in West Africa, our geographic diversity mitigates our exposure to certain risks related to concentration in one country, such as exposure to political and regulatory circumstances in the countries in which we operate. Our West African focused production profile also allows us to benefit from operational synergies. Given the relative proximity of many of our mines and development projects, we are able to share technical and management skills across our operations, optimise joint purchasing, coordinate inventory management and easily access our assets from our regional operations headquarters in Abidjan, Côte d'Ivoire. Additionally, all our operating mines, projects and exploration targets are located within the Birimian Greenstone Belt, an area of highly prospective geology in West Africa, having significant exploration and production potential.

The following tables set out certain key information on our operating mines and development projects as at and for the year ended 31 December 2020 on a 100 per cent. basis.

Mine	Country	Mine Type	Mine Production	AISC	Remaining Mine Life	M&I Resources	P&P Reserves
			(koz)	($/oz)		(Mt)	(Mt)
Boungou	Burkina Faso	Open Pit CIP Plant	162	680	7 years	14.4	8.6
Houndé	Burkina Faso	Open Pit CIL Plant	277	836	11 years	82.0	46.3
Ity	Côte d'Ivoire	Open Pit CIL Plant	213	808	10 years	77.1	53.9
Karma	Burkina Faso	Open Pit Heap Leach	98	1,007	2 years	48.0	5.5
Mana	Burkina Faso	OP & UG CIL Plant	219	769	9 years	45.2	14.2
Sabodala-Massawa	Senegal	Open Pit CIL Plant	229	950	17 years	102.1	77.4
Wahgnion	Burkina Faso	Open Pit CIL Plant	175	954	9 years	44.2	26.4

Project	Country	Status	P&P Reserves	M&I Resources	Inferred Resources
Fetekro	Côte d'Ivoire	PFS published in Q1 2021, DFS in progress	32.0Mt at 2.07g/t	32.0Mt at 2.40g/t	0.8Mt at 2.51g/t
Kalana	Mali	PFS published in Q1 2021, DFS in progress	35.6Mt at 1.60g/t	46.0Mt at 1.56g/t	4.6Mt at 1.67g/t
Afema JV	Côte d'Ivoire	Exploration	N/A	An initial resource estimate expected in Q3 2021	An initial resource estimate expected in Q3 2021
Bantou	Burkina Faso	Exploration	N/A	N/A	51.1Mt at 1.37g/t
Golden Hill	Burkina Faso	PEA in progress	N/A	12.6Mt at 1.85g/t	11.5Mt at 1.81g/t
Nabanga	Burkina Faso	PEA	N/A	N/A	3.4Mt at 7.69g/t

We also have an extensive portfolio of greenfield exploration targets in a range of strategic locations, which complement our existing asset and project base. We take a conservative approach to exploration, using strategic prioritisation criteria followed by the oil and gas industry. Through our successful exploration programmes, we are on track to meet five-year exploration targets of 10-15 million ounces by 2021, with approximately 8.4 million ounces of new indicated resources discovered as of 31 December 2020.

In the years ended 31 December 2018, 2019 and 2020, we achieved gold production from our continuing operations of 471,000, 513,000 and 803,000 ounces, respectively, at an all-in sustaining cost ("**AISC**") of U.S.$843, U.S.$824 and U.S.$853 per ounce, respectively. For the years ended 31 December 2018, 2019 and 2020, our revenue and Adjusted EBITDA from continuing operations were U.S.$572 million and U.S.$188 million, U.S.$695 million and U.S.$257 million, and U.S.$1,424 million and U.S.$703 million, respectively. As at 31 December 2020, we had proven and probable Mineral Reserves totalling approximately 18 million ounces on a 100 per cent. basis.

Our History

Old EDV was incorporated as Endeavour Mining Capital Corp. on 25 July 2002, under the laws of the Cayman Islands as a mining finance, investment and advisory business. It changed its name on 14 September 2010 to Endeavour Mining Corporation. Shares in Old EDV began trading on the TSX (TSX:EDV) in September 2002. Its shares are now also quoted in the United States on OTCQX International (OTCQX:EDVMF).

On 27 November 2015, we entered into a long-term strategic partnership with La Mancha Holding S.à r.l. ("**La Mancha**"), a privately held gold investment company controlled by the Sawiris family. As part of the agreement with La Mancha, we acquired La Mancha's indirect 55 per cent. interest in the Ity Mine in Côte d'Ivoire, as well as a 100 per cent. interest in La Mancha's exploration entity in Côte d'Ivoire, which currently holds and/or manages six exploration permits. As part of this transaction, La Mancha became our 30 per cent. shareholder and we entered into an Investor Rights Agreement with La Mancha that granted La Mancha anti-dilution rights and two Board seats.

On 29 February 2016, we completed the sale of the Youga Mine, by then a non-core asset, to MNG Gold. We received a total cash consideration of U.S.$25.3 million. In connection with the disposition, we retained a 1.8 per cent. net smelter royalty on production from Youga Mine realised beyond the mineral reserves as of 31 December 2015, with the inclusion of a buyback provision for the net smelter royalty in favour of MNG Gold.

On 26 April 2016, we completed the acquisition of True Gold pursuant to a British Columbia court-approved plan of arrangement. True Gold owned 90 per cent. of Riverstone Karma SA, which owned the Karma Mine in Burkina Faso. Concurrent with our acquisition of True Gold, La Mancha exercised its anti-dilution rights and invested a further U.S.$82.6 million in the Company by way of an equity placement.

On 11 July 2016, we closed a Bought Deal Financing, issuing a total of 7,187,500 Shares at a price of C$20.00 per ordinary share, which included the exercise of the underwriters' over-allotment option in full. The proceeds of the Bought Deal Financing were allocated for (i) enhancing the funding of our exploration programme over the two years following the closing of the Bought Deal Financing, primarily focused on existing or anticipated licence areas in Côte d'Ivoire, Burkina Faso and Mali, (ii) funding the investigation and advancement of development projects, including the Ity Carbon in Leach ("**CIL**") Project, subject to a positive feasibility study, and other development programmes, as determined by our management, and (iii) for general corporate purposes. As part of the Bought Deal Financing, La Mancha purchased 1,000,000 Shares.

On 19 May 2017, we increased our interest in Ity to 80 per cent. by purchasing an additional 25 per cent. interest in Ity from the Société pour le Développement Minier de la Côte d'Ivoire ("**SODEMI**"), for U.S.$54.4 million.

On 18 September 2017, we completed the acquisition of Avnel Gold, which owns 80 per cent. of the Kalana Project in Mali, driven by the larger strategic development opportunity to be based on a new feasibility study.

On 6 February 2018, we closed our private placement of convertible senior notes due 2023 for an aggregate principal amount of U.S.$300 million. On the same day, the initial purchasers exercised the over-allotment option for an aggregate principal amount of U.S.$30 million.

On 4 September 2018, we announced the sale of our non-core Tabakoto Mine to Algom Resources Limited, a subsidiary of BCM International LTD. The sale was completed on 24 December 2018, for a total sale price consideration of approximately U.S.$70 million, including U.S.$35 million received on the date of closing, a deferred cash consideration of U.S.$10 million in 2019 and a 10 per cent. net smelter royalty on the Dar Salaam deposit, capped at a maximum of 200,000 ounces of gold. As part of the transaction, we retained our greenfield exploration tenements located over 20km north of the Tabakoto processing plant.

In January 2019, we acquired an additional 5 per cent. of the Ity Mine, increasing our ownership stake in the mine from 80 per cent. to 85 per cent. In exchange for the additional 5 per cent. interest, we granted DYD International Holding Limited, a company owned by Didier Drogba, 1,072,305 common shares, amounting to a total consideration of approximately U.S.$18.1 million.

On 1 July 2020, we completed our acquisition of SEMAFO Inc. The acquisition included the Boungou Mine and the Mana Mine both in Burkina Faso. The acquisition was effected by a court-approved plan of arrangement, through which shareholders of SEMAFO received 0.1422 of an Endeavour ordinary share for each SEMAFO common share held.

On 3 July 2020, we closed a U.S.$100 million private placement to La Mancha. We issued a total of 4,507,720 ordinary shares to La Mancha for aggregate net proceeds of U.S.$100 million as La Mancha exercised its anti-dilution right in support of the SEMAFO acquisition. Following the transaction, La Mancha's interest was approximately 24.1 per cent., marking a reduction from their previous 31 per cent. interest.

On 24 December 2020, we closed an U.S.$800 million debt refinancing package. The refinancing consists of an amendment and extension of our existing U.S.$430 million revolving credit facility ("**RCF**") and a U.S.$370 million bridge facility ("**Bridge Loan**"). The amended RCF will bear interest at the same rate as previously, at LIBOR plus a margin between 2.95 per cent. and 3.95 per cent., on a sliding scale depending on leverage. The Bridge Loan will bear interest at 2.25 per cent., increasing by 0.5 per cent. every six months until both facilities mature in January 2023. The refinancing proceeds were used to retire Teranga's various higher cost debt facilities.

On 10 February 2021, we completed our acquisition of Teranga Gold Corporation. Through the acquisition, we added the Wahgnion Mine in Burkina Faso and the Sabodala-Massawa Mine in Senegal to our portfolio. The acquisition was effected through a court-approved plan of arrangement, through which the shareholders of Teranga received 0.47 of an Endeavour ordinary share for each Teranga share held. In connection with the acquisition of Teranga, La Mancha exercised its anti-dilution right and invested U.S.$200 million via a placement of approximately 8.9 million shares. The investment closed on 30 March 2021 and following this investment, La Mancha's anti-dilution right has been extinguished. Following completion of the investment, we now have 252,519,830 shares outstanding, with La Mancha holding an interest of approximately 19 per cent.

On 21 January 2021, we announced the sale of our non-core Agbaou Mine in Côte d'Ivoire to Allied Gold Corp. We completed the transaction on 2 March 2021, selling our 85 per cent. interest in the mine for a consideration of up to U.S.$80 million, with further upside through its equity exposure and a net smelter return royalty. The total consideration consists of U.S.$20 million in cash payable in the first quarter of 2021 and U.S.$40 million in Allied Gold shares and a contingent payment of up to U.S.$20 million, comprised of U.S.$5 million for each quarter of 2021 where the average gold price exceeds U.S.$1,900/oz. In addition, we have a net smelter royalty on ounces produced in excess of the Agbaou reserves estimated as at 31 December 2019. The royalty is based on a sliding scale, linked to the average spot gold price as follows: 2.5 per cent. if the gold price is at least $1,400/oz, 2 per cent. if the gold price is at least $1,200/oz and less than $1,400/oz, 1 per cent. if the gold price is at least $1,000/oz and less than $1,200/oz, and 0 per cent. if gold price is below $1,000/oz.

Key Strengths

Following a change in management in early 2016, we have focused on creating a resilient business by building a high-quality portfolio of assets with long mine lives and low production costs. This resilient business model seeks to generate sufficient sustainable cash flow to allow us to re-invest in our core operations while also maintaining the ability to reward our shareholders. It is underpinned by our commitment to be a trusted partner in our host countries and delivering on our promises to support the communities where we operate.

To deliver on these objectives, we have transformed our portfolio over the last five years. Our proven operational capability has seen us increase the average mine life of our mines from four years to greater than 10 years between 2016 and 2020 while reducing AISC from continuing operations from U.S.$886 per ounce to U.S.$853 over the same period. We have also consistently replaced extracted resources through our exploration programme and successfully delivered two flagship projects, Ity and Houndé. We discover and produce high quality resources, and our average gold grade is 1.3x higher than industry average.

Following the recent completion of our strategic acquisitions of SEMAFO and Teranga, we are now established as one of the world's largest senior gold miners. We are the largest gold producer in West Africa, and the largest producer in each country where we operate.

The Directors believe our scale, long-life, low-cost asset portfolio and operational expertise ideally positions our business to benefit from attractive gold market fundamentals, which we expect will drive a phase of significant cash generation and deliver compelling shareholder returns through industry cycles. We have a proven track record of quickly moving from first discovery to production within three to five years. Our efficient permitting process is facilitated by capitalising on our expertise and long-standing partnerships in the countries where we operate. We have reduced project build times by leveraging our in-house construction team, internal engineering capability and proven partners, as well as replicating project designs.

Our assets are strategically positioned in one of West Africa's most prolific gold mining belts: the Birimian Greenstone belt. West Africa is the second largest gold producing region in the world and has experienced a 90 per cent. production increase over the last decade. In 2021, West Africa accounted for 12 per cent. of global gold production, with 10 per cent. of the global exploration budget being spent in the region. West Africa is the most prospective region for recent discoveries, with over 79Moz discovered over the last decade. As the largest producer in the region, we have proven our ability to explore, develop, build and operate long-life, low-cost mines in partnership with local governments and other stakeholders across Burkina Faso, Cote d'Ivoire, Burkina Faso, Mali and Senegal.

We have a high quality portfolio of exploration prospects, including near-mine exploration and development potential. Of particular note is our high-grade Massawa project which is located within trucking distance of our existing Sabodala mine operation in Senegal. Massawa is the largest development-stage open-pit project in Africa and has the ability to transform the Sabodala-Massawa integrated operation into a top-tier gold asset on a global scale. Sabodala-Massawa is already the largest operating mine in Senegal and the Directors are focused on delivering its low cost, long-life reserve and strong cash flow potential.

The Directors believe that we are well-positioned to realise value from our:

- industry-leading, high-quality portfolio of complementary assets which are strategically located across two of the most prolific gold mining belts in West Africa;
- cash-generative strategy, focused on driving efficiencies across our portfolio, delivering on key growth initiatives, particularly the high-grade Massawa project, and ultimately realising the profitability potential of our low-cost asset base;

- focused approach towards integrating acquired assets, particularly the legacy Teranga assets;
- valuable exploration portfolio and proven expertise in building and operating low cost, high-margin gold mines;
- consistent commitment to the region and proven ability to deliver projects, which makes us the partner of choice for the majority of key stakeholders; and
- sustainable mining approach which is focused on long-term good stewardship of the natural environment.

The Directors believe that the combination of these characteristics and proven management track record leave us well positioned, with a portfolio of assets that is resilient and poised to deliver strong cash flow.

Strategy

Our strategy is to create a resilient business by pursuing a clear and differentiated strategy. Delivery of this strategy will enable us to reward our shareholders and remain a trusted partner to our host countries and the communities where we operate.

Create a resilient business

To create a resilient business, we are focused on maintaining a high quality portfolio of assets, with long mine lives and low production costs, which can generate sufficient sustainable cash flow to re-invest in our core operations while maintaining the ability to reward shareholders. We aim to do this by focusing on the following four activities:

Industry-leading operational excellence

We are committed to delivering our operational objectives and we do so by understanding the environment where we operate and by leveraging the deep technical expertise of our team. Our de-centralised operating model enables us to share skills, best practice and technical know-how across our assets enabling us to develop and operate efficiently and sustainably. As a result, we have a safety record that is superior to industry benchmarks. Additionally, we have met or exceeded production and cost guidance for the last eight years and have increased consolidated gold production by 76 per cent. since 2015, while reducing AISC by 5 per cent. over the same period.

Our production guidance for 2021 is in the range of 1.4-1.5Moz, at an AISC in the range of U.S.$850-900 per ounce. Our AISC outlook remains below U.S.$900 per ounce through to 2025, while our production outlook remains in the range of 1.4-1.5Moz until 2023, then increases in 2024 and 2025 to above 1.5Moz and above 1.6Moz, respectively.

Proven project development

Over the last ten years, we have built and successfully commissioned four operating mines on time, within budget and with zero lost time injuries. This experience has built up a strong and deeply ingrained technical, operational and management capability across our assets which enables us to continue to explore, delineate and build sustainable gold mines.

We make investment decisions based on our disciplined capital allocation framework and deliver projects safely, on-time, and on-budget by leveraging the expertise of our in-house construction team. This focused approach has delivered efficient and resilient operating mines which have benefited the local communities in which we operate and rewarded key stakeholders. It is our objective to deliver a 20 per cent. return on capital employed through strong capital allocation discipline, which we achieved in the year ended 31 December 2020.

Unlocking exploration value

We own one of the largest exploration land packages in West Africa and our approach to exploration is focused on finding, delineating and realising high-margin ounces which improves the outlook for both our company and the communities in which we operate. Since 2016, we have discovered and defined 8.4 million ounces of Indicated resources at a low discovery cost of less than $25 per ounce. Given our extensive operational mining portfolio, which includes adjacent defined resources and greenfield exploration possibilities, the Directors believe we have significant potential to add and delineate new resources.

With our significant exploration potential, the Directors believe we are well placed to deliver on the value creation opportunities that are embedded within our existing portfolio. Central to realising the portfolio's

potential is a prudent investment approach, including the application of disciplined discovery targets and expense management criteria. We carefully allocate capital based on our ranking and screening methodology of exploration and development initiatives which relies on the expertise of our experienced team and their assessment of the prospectivity of each geological opportunity.

Active portfolio management

We are focused on delivering optimal value for collective stakeholders by ensuring that valuable invested capital, management time and strategic direction are appropriately directed. By focusing on the development and operation of long-life, low-cost mines we can help ensure our business is resilient and capable of generating cash flow even in a lower-cost gold price environment.

We conduct regular, active and objective reviews of our portfolio to ensure that value is at the centre of the assets that we own and operate. We prioritise management efforts on core assets, carefully assessing when an asset should be divested. In March 2021 we completed the sale of our interests in the Agbaou mine in Cote d'Ivoire, and we are currently in engaged in discussions with several bidders regarding the possible disposal of our interests in the Karma Mine in Burkina Faso. The disposal of the Agbaou mine provides an example of an active portfolio decision to sell a profitable mine that was nearing the end of its mine life, with high-costs and declining production volumes.

Reward our shareholders

Our financial discipline is embedded across each part of our capital allocation process. Starting with our financial management approach, the first pillar of our prudent financial framework is the balance sheet, where we aim to maintain a net cash position. This enables us to reduce our financial risk profile and to run a more resilient business that is sustainable in lower gold price environments and is insulated from reasonably foreseeable operational or external pressures. We expect to reach a net cash position of U.S.$250 million in the short term and have a long-term target Net Debt to EBITDA ratio of less than 0.5x.

We are committed to driving value across our business, to ensure that we appropriately reward shareholders and continue to attract new investors. A sustainable dividend policy underpins our shareholder returns approach and is the foundation of our overall goal of increasing total shareholder returns to the best of our ability.

Internally generated cash flow competes for potential use across the business. This healthy dynamic ensures that we test, compare and ultimately invest in the most valuable growth options across the business. This competition for capital approach is embedded across each layer of our business including existing operations, projects and exploration activities.

To ensure that we remain focused on enhancing value, our management team is focused on improving per share value metrics. These are applied when evaluating both organic and external opportunities and include assessing net asset value per share and cash flow per share impacts to keep sustainable, long-term value creation for our shareholders is at the heart of all of our decisions. We plan to continue to seek further opportunities to provide value to shareholders based on the continued strength of our balance sheet, which currently benefits from the higher gold price environment. As long as our Net debt/EBITDA ratio is below 0.5x, we believe we can maintain the resilience in the business while having the potential to provide supplemental returns to shareholders in the form of higher dividends and/or share buybacks.

Be a trusted partner

We explore, build and operate our assets in partnership with a range of stakeholders. Having operated in West Africa for more than ten years, we have made, and continue to make, a real difference to the countries where we operate.

As a result of our decade long partnerships with governments, communities and employee stakeholder groups across West Africa, we have developed a strong social licence to operate. We work collaboratively with our host country governments and are a major taxpayer within each country. Together with our host countries, we invest heavily in community development and security, both of which are provided in conjunction with other international partners to deliver the best outcomes for local communities.

We are a major employer, both directly via our operations, as well as indirectly through our community investment in each of our host countries. Wherever possible, we seek to hire locally, buy locally and support income generating activities for local communities. We undertake extensive training and development programmes to engage with and build skills for the local population to help increase standards of living and support their communities in a sustainable way.

All of our operations, exploration and corporate activities are underpinned by a strong commitment to the highest environmental, sustainability and governance standards. The Board has collective oversight and ultimate responsibility for the environmental, sustainability and governance approach across the business.

As part of our enduring and tangible commitment to and focus on ESG objectives, we have established a dedicated Board-level committee, which ranks in-line with the Audit, Remuneration and Nomination committees. This defined and codified approach gives structure to our approach to these strategically important matters and ensures accountability across all areas of our business.

The Directors believe that our long-term success is dependent upon excellent stewardship of the environment and emphasise this across the business. We have earned our strong social licence to operate within host countries and local communities over many years and the environmental impact of our existing and future activities is given significant prominence in assessing strategic decisions.

For example, we are actively exploring a number of opportunities to supplement or replace existing power sources at our assets with renewable energy. Having started to report in line with the requirements of the Task Force on Climate-related Financial Disclosures ("**TCFD**") in 2020, we plan to further align with TCFD and Sustainable Accounting Standards Board ("**SASB**") protocols in 2021 and remain committed to the continual review and adoption of best practice recommendations for reporting on ESG metrics.

A key part of this strategy is our current three-year approach to meeting the World Gold Council's RGMP framework. Having achieved independent "health checks" on all 51 defined principles through the course of 2020, the Directors and management team remain focused on continued implementation, including achieving external assurance on our compliance with the RGMPs during 2021 and 2022.

The Directors believe that we have an extensive and appropriate sustainability framework in place which seeks to identify material issues, appropriately engage with stakeholders and report on progress and metrics in order to appropriately implement our sustainability agenda.

We have a framework for reporting on our sustainability progress and compliance which is regularly reviewed and acted upon by the Directors. Conformance with external bodies and standards, including the World Gold Council, Carbon Disclosure Portal ("**CDP**"), Global Reporting Initiative ("**GRI**") and Extractive Industries Transparency Initiative ("**EITI**"), forms part of this assessment and is reviewed on an ongoing basis by the Board. Our organisation-wide approach has seen us regularly score well on a comparative basis across industry benchmarking exercises.

Our Assets

Overview

We have an attractive asset base made up of a portfolio of seven high-quality mines, two advanced-stage development projects and four early stage projects as well as a range of greenfield exploration targets across West Africa. Our mines are located across the highly prospective Birimian Greenstone Belt and each have a long mine life and a low AISC. We also have an attractive development pipeline of greenfield projects.

For a discussion of Mineral Resources and Mineral Reserves at our assets, please see "*Mineral Reserves and Resources*" and the "*Competent Person's Report*" set out in Annex I.

Operating Mines

Boungou Mine, Burkina Faso

Overview

The Boungou gold deposits lie within the Boungou Permit Group located in eastern Burkina Faso. The property lies approximately 323 km east-southeast of Ouagadougou, the capital of Burkina Faso.

Boungou's mineral rights comprise one mining exploitation permit (the "**Boungou Licence**"). The Boungou Licence is held by Semafo Boungou SA. We hold, indirectly through our subsidiary Semafo (Barbados) Ltd., a 90 per cent. equity interest in Semafo Boungou SA. The remaining 10 per cent. interest in Semafo Boungou SA is held by the Government of Burkina Faso.

The Boungou Licence has a perimeter of 29.06 km² and will expire on 23 January 2024. The Boungou Licence remains renewable for consecutive five-year periods.

Exploration

In 2020, we spent U.S.$1 million on exploration following the integration at Boungou. Exploration activities resumed in Q4 2020, and a total of 3,921m of RC drilling (61 holes) were completed on the mine lease. The holes were designed to test for high grade pockets in the future high wall between the East and West open pit designs. The drillholes intersected the Boungou Main Shear, where grades and mineralised interval thicknesses were generally low.

In 2021, a budget of up to U.S.$7 million has been planned. The programme will total approximately 85,000m of diamond, RC percussion and auger drilling, with the aim of identifying new near-mine resources.

Mining and mine plan

The mining method at Boungou is conventional open-pit, including drilling, blasting, loading and hauling. The majority of the rock requires blasting and only the softer material located within the top 5m to 10m of the deposit is free digging and loaded directly by hydraulic excavators.

Following the security incident in November 2019, the Boungou Mine was placed on temporary care and maintenance in order to address regional security issues. Production was maintained during this time through the processing of stockpiles, which began on 6 February 2020. SFTP Mining ("**SFTP**") was appointed as mining contractor in August 2020. After the SEMAFO acquisition closed in July 2020, we implemented a range of infrastructure improvements and new security and operating procedures and SFTP started mining on 15 October 2020. We are working to enhance security measures to ensure operational continuity by providing safer access to the site for logistics and people.

In 2021, production will focus on mining in Phases 2 and 3 of the West pit and the stripping at the East pit in 2021. These pits are expected to begin production starting in 2022.

Boungou is expected to produce 180,000oz to 200,000oz in 2021 at an AISC of U.S.$690-$740/oz. Ore will be supplied mainly from the West pit stages during the year.

Metallurgy processing plant

The Boungou CIP Plant was commissioned in 2018 with a nameplate capacity of 1.3Mpta and was established to process mineralisation which is predominantly hosted in quartz veins with a significant quantity of the gold occurring as free gold. The metallurgical treatment route selected for Boungou was based on the results of the test work programme and includes processing ore at 4,000 tonnes per day ("**tpd**") via a single-stage primary jaw crusher to produce a crushed product size of 80 per cent. passing (P80) of 133 mm and a mill feed surge/ overflow bin that overflows to an 8,000-tonne stockpile to provide 48 hours of capacity. The grinding circuit consists of a SAG Mill, pebble crusher and Vertical Tower Mill (instead of a ball mill). A gravity circuit recovers up to 50 per cent. of the gold ahead of the Carbon in Pulp ("**CIP**") circuit.

Infrastructure

Power is generated on site from hybrid heavy fuel oil and light fuel oil generators, generating approximately 15.5 Megawatts. Bulk fuel supply is provided by TOTAL. There is an onsite fuel storage facility, where HFO and diesel for the power plant, mine trucks, light vehicles and users at the process plant is also stored. Day storage tanks are provided at the power plant and in the process plant.

Water demand for processing is met from TSF decant, pit dewatering (including precipitation on the pit area), runoff from the ROM pad and plant site and sediment impacted runoff collected in the sediment control ponds. A common potable water system is provided for the accommodation camps and the process plant usage and is located at the staff camp and distributed to the various users.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Boungou, please see the "*Competent Person's Report*" set out in Annex I.

Tailings

The tailing storage facility ("**TSF**") has been designed to store 9.6 Mt of tailings generated by the process plant required for the LOM with tailings being produced at a rate of 1.34 Mtpa. The selected site is located 0.9km to the north east of the process plant. As a result of the arsenic levels in the tailings solids, a robust seepage control system comprising an above liner underdrainage system, a geomembrane liner overlying a compacted in-situ low permeability sub-base and a sub-liner seepage recovery drains were included in the design.

The TSF requires a single embankment along its south and western extents with a total embankment length of 1.7km and with a maximum embankment height of 24m at the southwest corner. The eastern and northern margins of the storage facility are confined by a natural laterite ridge line, and therefore no supporting embankment is required along these margins. The tailings beach surface at full capacity covers an area of approximately 76.5 Ha. Tailings are pumped to the TSF as a slurry at 64.5 per cent. solids and are deposited sub-aerially to facilitate drying and consolidation of the tailings mass. A total of 6 downstream lifts will be required throughout the LOM which correspond to a lift approximately every 1.5 years. A stage three lift is currently underway and will be completed in July 2021. The last audit of the TSF by was conducted in Q1 2020 by Knight Piésold. No points of material concern were noted in its report.

The concept for closure of the TSF includes capping with a geomembrane followed by a 1m rock and soil layer to facilitate revegetation. Alternative methods may be required or proposed during subsequent closure plan reviews.

Environment

A comprehensive Environmental and Social Impact Assessment ("**ESIA**") was completed in 2016. Several environmental permits have been granted covering the active mining areas and surrounding the current pits namely East pit and East flank, West pit and West flank, and process plant, tailings storage facility, mining and surface infrastructure. For the year ended 31 December 2020, the Boungou Mine contributed U.S.$2.82 million to the government-mandated Local Mining Development Fund, which requires a contribution equal to one per cent. of revenue.

Review of Operations

The following table summarises the operating results of the Boungou Mine for the years ended 31 December 2018, 2019 and 2020.

	For the year ended 31 December		
	2018	**2019**	**2020**[2]
Operating Data			
Tonnes of ore mined (kt)	568	1,628	459
Tonnes of waste mined (kt)	4,035	11,651	2,075
Tonnes processed (kt)	368	1,000	1,111
Average gold grade milled (g/t)	5.75	6.65	4.79
Recovery Rate (%)	94%	96%	95%
Gold ounces produced	63,600	205,200	162,172
Gold ounces sold	54,300	214,400	154,725
Realised gold price ($/oz)	1,233	1,380	1,797
Cash costs per gold ounce sold ($/oz)	428	364	645
All-in sustaining costs per gold ounce sold ($/oz)	621	482	680
	(in thousands of U.S.$)		
Financial Data			
Revenues	66,966	295,758	278,075
All-in margin[1]	33,241	185,951	169,416
Earnings from mine operations	19,964	112,139	93,800

Note:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

(2) The financial data for the twelve months ended 31 December 2020 has been compiled from the six months ended 30 June 2020 prior to the acquisition of SEMAFO and the six months from 1 July 2020 to 31 December 2020, which reflect the fair value adjustments in the purchase price allocation at the acquisition date.

Results for the year ended 31 December 2020

Following the suspension of operations in November 2019, a phased restart of operations took place beginning in February 2020, with the plant restarting to process stockpiles and then mining operations restarting in Q4 2020.

Gold production of 162,172 ounces was significantly lower than the prior year as a result of the shutdown and phased restart. The average grade milled was lower than the prior year as a result of feeding mainly stockpiled material in Q2 and Q3 of the year.

AISC increased to U.S.$680 per ounce, as a result of the reduced ounces and processing of stockpile material for the majority of the year.

Revenues and earnings from mine operations were U.S.$278.1 million and U.S.$93.8 million in 2020 compared to U.S.$295.8 million and U.S.$112.1 million, respectively. The decrease in revenues reflects the lower number of ounces sold in the year, partially offset against the higher realised gold prices in 2020 relative to the prior year. The earnings from mine operations decreased by U.S.$18.3 million relative to 2019 due to the lower depreciation and operating expenses in 2020 with the suspension of operations through the majority of the year. The all-in margin decreased by U.S.$16.5 million compared to the prior year due to the lower production and revenues for the year, and higher operating expenses due to the non-cash impact of the fair value adjustments to inventory recognised at the acquisition date.

Results for the year ended 31 December 2019

The results for Boungou for 2019 include a seven week suspension of operations from November 2019 to the end of the year. Gold production in 2019 of 205,200 ounces represented a significant increase compared to 2018, where there were only four months of commercial production. Grades increased to an average of 6.65 g/t Au, as the mine plan reached higher grade zones in the year, and recoveries also improved during 2019 to reach 96 per cent., a 2 per cent. improvement compared to 2018.

In 2019, due to the higher grades and increase in ounces sold, AISC decreased to U.S.$482 per ounce sold compared to U.S.$621 per ounce sold in 2018.

Revenues, all-in margin, and earnings from mine all increased relative to the prior year reflecting an increase in the number of ounces sold in the year, and the higher realised prices in 2019 relative to 2018 due to the mine operating from January 2019 to the suspension of mine operations in November 2019, compared to only four months of operations in 2018, when the mine started commercial production.

Results for the year ended 31 December 2018

Commercial production was declared on 1 September 2018 when operations had reached the internal commercial production measure of 30 consecutive days of mill throughput at 75 per cent. of nominal design capacity (4,000 tpd). During the 30-day period, the mill processed more than 90,000 tonnes of ore at an average grade of 2.4 g/t Au and with a recovery rate of 83 per cent.

In 2018, the Boungou Mine produced 63,600 ounces of gold while in commercial production. The four-month period of commercial production ended 31 December 2018 proceeded in line with plan. Grade averaged 5.75 g/t Au, which progressively increased though the period as the mine plan reached higher-grade zones. Recoveries improved during the period to reach 94 per cent.

AISC was U.S.$621 per ounce reflecting the ramping up of production over the last four months of the year.

Revenues for the twelve months ended 31 December 2018 were U.S.$67.0 million reflecting the sale of 54,300 ounces of gold, with the difference from ounces produced being due to the timing of the sales close to the end of the year. The earnings from mine operations and the all-in margin were U.S.$20.0 million and U.S.$33.2 million respectively, reflecting the start-up of operations in the year.

Houndé Mine, Burkina Faso

Overview

Houndé is located approximately 250km southwest of Ouagadougou, the capital city of Burkina Faso. Access to the mine is by following the sealed national highway (N1) to Houndé town, traversing the principal regional towns of Boromo and Pâ.

We indirectly own the 1,324.17km^2 Houndé mineral titles, which comprise 12 exploration permits (1,183.1km^2) and two exploitation permits (Houndé and Bouéré Dohoun). The Houndé exploitation permit is held by Houndé Gold Operation SA ("**HGO**") and was initially granted to HGO on 5 February 2015, covering 23.20km² before being extended to the Kari Area to reach 61,79 km² on 16 July 2020 and subsequently amended on 31 December 2020. The permit is valid until 5 February 2035. It may be renewed for consecutive five-year periods until deposits are depleted. The nearby Bouéré Dohoun exploitation permit was granted to Bouéré-

Dohoun Gold Operation SA ("**BDGO**") on 23 January 2017, covering 5.37km^2 and is valid until 23 January 2022. It may be renewed for consecutive five-year periods until deposits are depleted. We hold 90 per cent. of both HGO and BDGO through our wholly owned subsidiary Houndé Holdings Limited and the remaining 10 per cent. is held by the Government of Burkina Faso.

Exploration

An exploration programme of U.S.$17 million totalling approximately 82,500 meters was completed in 2020. The programme was designated to delineate additional resources in the Kari area, where 46,500 meters were drilled, and at the Vindaloo South and Vindaloo North targets. In addition, a small 15,500 metre reconnaissance drilling programme was completed at Sianikoui, Mambo and Marzipan, yielding positive initial results. Over 6,000 metres were drilled for geotechnical and metallurgical purposes at Kari West, Kari Centre and Kari Gap, and 11,500 metres were drilled for sterilisation at Kari Pump. An updated resource estimate was published on 22 July 2020 to include the maiden estimate for Kari Centre, Kari Gap and further extensions of Kari West.

Kari area drilling produced upgraded Indicated Mineral Resource estimates for Kari West (20.4Mt at 1.53g/t for 1,004koz), Kari Centre and Kari Gap (10.5Mt at 1.31g/t for 443koz), Kari South (2.1Mt at 1.09g/t for 75koz) and Kari Pump NE (0.3Mt at 1.98g/t for 21koz). Completion of Kari West geotechnical studies and metallurgical test work contributed to a mineral reserve estimate for the deposit. Geotechnical and metallurgical studies for the Kari Centre, Kari Gap and Kari South deposits will continue in 2021.

An exploration programme of up to U.S.$7 million is planned for 2021, comprising 47,000 metres of drilling. The exploration programme will focus on near mine targets in the Kari area, Dafra T3 and Vindaloo South. In addition, reconnaissance drilling will focus on Mambo, Marzipan, Kari Deep and Vindaloo Deep targets.

Mining and mine plan

The mining method at Houndé is conventional open pit mining including drilling, blasting, loading and hauling. Load and haul activities are owner operated. Contract service providers, SFTP Mining and African Explosives Limited ("**AEL**"), carry out production drilling and blasting activities, respectively. Grade control drilling was formerly undertaken by FTE-Drilling and transitioned to Orbit Garant in late 2020. Mining and processing commenced in Q4 2017 and mining activities transitioned from mainly oxides in 2018 to mainly fresh ore by the end of 2019, although additional oxide feed has been mined recently through development of the open pits at the Kari deposits.

During 2021, mining activities will be carried out at Vindaloo pits, Kari Pump and Kari West together with the remaining part of Bouéré pit. Houndé is expected to produce 240,000-260,000oz in 2021 at an AISC of U.S.$855-$905/oz.

Metallurgy and processing plant

The processing plant at Houndé consists of a CIL plant with a nameplate capacity of 3.0Mt per annum with SAG/Ball and Scats Crushing ("**SABC**") milling circuit to produce an 80 per cent. passing 90-micron grind size. Ground fresh ore is fed to continuous centrifugal gravity concentrators to recover free and occluded gold in heavy particles (pyrite) to a low mass gravity concentrate. This gravity concentrate is processed through an intensive cyanide leach reactor followed by electrowinning to recover the gold. After passing through the CIL circuit, the leach tails go into a cyanide destruction process before being pumped to the TSF. Loaded carbon is passed through the acid wash and elution tanks to liberate the gold which is then pumped to the electrowinning cells to plate on to steel wool cathodes to finally enable smelting of doré bars. Barren carbon is reactivated in the kiln before being returned to the CIL circuit.

Infrastructure

Power for the processing plant is supplied from the grid via a 38km long, 225kV overhead power line with the nearest substation located near the town of Pâ. We have a power supply agreement with SONABEL, the state power company. A Caterpillar high speed diesel back-up power station has been installed to provide 100 per cent. redundancy.

Raw water is pumped from a water harvest dam and bores to a surge tank ahead of a treatment plant. Water from this surge tank is pumped on demand to the plant raw water tank. Duty/stand-by water pumps are provided for the raw water distribution to the plant. Filtered water for the process plant is produced by treating raw water in the filtered water treatment plant. Potable water is stored in the plant potable water tank and is

reticulated to the site ablutions, safety showers and other potable water outlets. Process water is pumped from the TSF decant to the plant process water tank.

Fuel storage comprises two 800 m³ double skinned self-bunded fuel storage tanks and pump skids located within the mining services area. This provides sufficient fuel for the needs of the mining fleet and emergency power for three months if there is any disruption of fuel supply. The fuel farm is managed by TOTAL, our fuel supplier, with fuel trucked in regularly from Ouagadougou to maintain volumes.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Houndé, please see the "*Competent Person's Report*" set out in Annex I.

Tailings

The TSF at Houndé is located 1km to the south of the CIL plant and consists of a two-cell, paddock storage formed by multi-zoned earth-fill embankments (surrounded by waste rock on all four sides). It comprises a cleared and grubbed basin, a composite soil/HDPE liner, a basin underdrainage system and a pump out decant system. The facility is designed to be raised in stages (every 1-2 years) over the mine life using downstream embankment construction techniques. The TSF was designed and is audited by Knight Piésold. The original impact assessment included a dam break scenario, which indicated a high consequence in the event of a wall failure and the tailings embankments were designed to reduce this risk.

Due to COVID-19 restrictions, for the annual audit Knight Piésold was presented with all internal TSF reports and documentation since the 2019 audit to the start of the 2020 audit. No points of material concern were noted. Closure at the end of mine life will require covering the surface with 0.5m of broken rock.

Environment

The ESIA for the Houndé Gold Mine and process plant was completed in 2014. The ESIAs for other pits were completed over the period from 2015 to 2021. Environmental permits have been granted covering the open pit mining operations, the process plant and surface infrastructure. For the year ended 31 December 2020, the Houndé Mine contributed U.S.$4.98 million to the government-mandated Local Mining Development Fund, which requires a contribution of one per cent. of revenue.

Review of Operations

The following table summarises the operating results of the Houndé Mine for the years ended 31 December 2018, 2019 and 2020.

	For the year ended 31 December		
	2018	**2019**	**2020**
Operating Data			
Tonnes of ore mined (kt)	5,822	2,969	5,324
Tonnes of waste mined (kt)	35,667	35,225	38,171
Tonnes milled (kt)	3,948	4,144	4,228
Average gold grade milled (g/t)	2.29	1.83	2.21
Recovery Rate (%)	94%	93%	93%
Gold ounces produced	277,218	223,304	276,709
Gold ounces sold	276,046	227,290	277,887
Realised gold price ($/oz)	1,272	1,391	1,778
Cash costs per gold ounce sold ($/oz)	538	761	703
All-in sustaining costs per gold ounce sold ($/oz)	564	862	836
	(in thousands of U.S.$)		
Financial Data			
Revenues	351,129	316,148	494,045
All-in margin[(1)]	190,429	102,902	241,869
Earnings from mine operations	135,803	69,881	263,093

Note:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

Results for the year ended 31 December 2020

Gold production at Houndé Mine increased in 2020 as compared to 2019, due primarily to higher grades at the Kari Pump deposit which came on-line mid-way through the year. Despite the ore blend being predominately fresh rock, tonnes milled remained consistent with the prior year, with the plant continuing to perform above nameplate capacity. As noted above, the average grade milled increased in 2020 due to the commencement of mining at the high grade Kari pump, compared to the prior year where low grade stockpiles supplemented plant feed.

AISC decreased following an increase in ounces produced and sold in the year, which more than offset the higher royalties, and the higher mining costs due to longer hauling distances, higher processing costs from the higher amount of fresh ore being processed, as well as an increase in sustaining capital expenditure related to planned component change outs of the mining fleet.

Revenues increased by U.S.$177.9 million in 2020 compared to 2019 due to both the higher number of ounces sold as well as an increase in the realised gold price by U.S.$387 per ounce. The all-in margin and earnings from mine operations both increased relative to the prior year due to the higher gold ounces sold, at higher realised gold prices, while operating expenses remained relatively consistent year over year.

Results for the year ended 31 December 2019

Gold production decreased in 2019 to 223,304 ounces in the year due to the lower amount of ore tonnes mined. The average grade decreased due to supplementing the mill feed with low grade stockpiles.

AISC increased at Houndé due to the lower number of ounces sold and higher sustaining capital compared to the prior year.

Revenues decreased by U.S.$35.0 million compared to 2018 due to the lower number of ounces sold, offset by a slightly higher realised gold price compared to 2018. The earnings from mine operations decreased in 2019 as operating expenses were higher than 2018 due to mining and processing of harder fresh ore during the year. The all-in margin also decreased in 2019 compared to 2018 due to higher sustaining and non-sustaining capital expenditures incurred during the year for waste capitalisation and other capital costs.

Results for the year ended 31 December 2018

Gold production increased significantly in 2018 as Houndé benefited from its first full year of production, after reaching commercial production in Q4 2017.

AISC was U.S.$564 per ounce in 2018, reflecting the first full year of operations and processing of higher grade material in 2017. Revenues for the twelve months ended 31 December 2018 were U.S.$351.1 million, reflecting the first full year of operations at the Houndé mine, and an average realised gold price of U.S.$1,272 per ounce. The earnings from mine operations were U.S.$135.8 million, which included a full year of operating expenses, as well as depletion. The all-in margin of U.S.$190.4 million included U.S.$12.2 million in sustaining and non-sustaining capital expenditure, primarily related to waste capitalisation.

Ity Mine, Côte d'Ivoire

Overview

The Ity Mine is located in western Côte d'Ivoire, 690km from the economic capital of Abidjan, near the border with Liberia and Guinea. Côte d'Ivoire is located in West Africa at the extreme west of the Gulf of Guinea. The mine site is accessible via paved road from Abidjan.

Ity's mineral rights are comprise three mining licences:, exploitation permit PE26 ("**SMI licence**") held by Société des Mines d'Ity ("**SMI**"), exploitation permit PE49 ("**SMD licence**") held by Société des Mines de Daapleu ("**SMD**") and exploitation permit PE53 ("**SMF licence**") held by Société des Mines de Floleu ("**SMF**"). Indirectly through our subsidiaries, we hold an 85 per cent. stake in SMI and SMD and a 90 per cent. stake in SMF. 5 per cent. of the remaining interest in SMI and SMD is held by SODEMI and 10 per cent. by the State of Côte d'Ivoire. The remaining interest in SMF is held by the State of Côte d'Ivoire.

Ity's processing plant is located on the SMI licence, whereas the deposits that will be processed are located on the three licence areas. The SMI licence has an area of 25km^2, which includes the Mont Ity, Zia NE, Colline Sud, Bakatouo and Walter deposits, the Aires (decommissioned heap-leach pads) and the Verse Ouest and Teckraie dumps. The SMI licence expires on 14 November 2023.

The SMD licence has an area of 13.2km^2, which includes the Gbeitouo and Daapleu deposits. The SMD licence will expire on 10 April 2032. The SMF licence has an area of 49.5km^2 and expires on 5 August 2027. The SMF Licence contains the Le Plaque deposit. All licences are renewable for consecutive 10-year periods.

Exploration

An exploration programme of U.S.$16 million totalling approximately 97,000 metres was completed in 2020. Exploration continued on the Le Plaque area to further increase resources, and on Ity near-mine targets, including under the leach pad (Heap 2), Verse Ouest and Daapleu SW. The majority of 2020 drilling was focused on the Le Plaque area to further increase the resource, as announced on July 7, 2020, with further drilling at Le Plaque having been completed in H2-2020.

An exploration programme of U.S.$9.0 million is planned for 2021, and drilling will focus on adding resources at Le Plaque, Verse Ouest, Daapleu SW, Walter, Bakatouo Deep and Greater Ity. Reconnaissance drilling will also test the South Floleu area and Daapleu deep targets.

Mining and mine plan

For CIL operations following the completion of the plant in 2019, the selected mining approach is conventional open pit excavator-truck operation with the production unit operations (loading, hauling and general pit and road maintenance) carried out by owner mining personnel and equipment. We contract the supply of production drilling to SFTP Mining and down-the-hole explosives and blasting services to EPC who is an approved explosives supplier. Grade control drilling is carried out by FTE and the samples are tested in the onsite laboratory which is managed by SGS.

We have key capital projects in 2021 that are nearing completion, including a third TSF raise, Bakatouo and Colline Sud River diversions, Le Plaque land compensation, waste dump sterilisation and advanced grade control drilling, and haul road and infrastructure improvements. These will enable mining production to be sustained in accordance with the life-of-mine plan ("**LoMp**"). We also have a number of processing upgrades in progress, which are designed to improve metallurgical recovery in line with the volumetric upgrade completed in 2019.

In 2021, Ity is expected to produce 230,000-250,000oz at an AISC of between U.S.$800-U.S.$850/oz. Around 70 per cent. of the plant feed is expected to be sourced from pits, slightly higher than 2020, with the remainder coming from historical waste dumps or long-term stockpiles. The main pit sources are Daapleu and Bakatouo, supplemented by ore from the Ity, Walter and Colline Sud pits following waste stripping activities. Mining is expected to commence at the Le Plaque deposit during the fourth quarter.

Metallurgy and processing plant

Construction of the CIL plant at Ity commenced in September 2017 and was completed under budget and ahead of schedule with the first gold pour occurring on 18 March 2019. Previous mining at Ity consisted of conventional open pit with heap leach ore processing. By the end of 2018, the heap leach facility wound up operations to pave the way for the commencement of the CIL plant. The heap leach facility has been fully decommissioned.

The processing plant at Ity has a volumetric nameplate capacity of 5.0Mt per annum with SABC milling circuit to produce an 80 per cent. passing 90-micron grind size. A gravity circuit has been installed though is only used on some of the ore sources. After grinding, the ore flows in slurry form to a standard CIL circuit, with leach tails passing into a cyanide destruction process before being pumped to the TSF. Loaded carbon is passed through the acid wash and elution tanks to liberate the gold which is then pumped to the electrowinning cells to plate on steel wool cathodes to finally enable smelting of doré bars. Barren carbon is reactivated in the kiln before being returned to the CIL circuit. A pre-leach tank is under construction and on completion in Q1 2022 will provide a 3-hour increase to cyanide residence time and improve gold recovery by 2 per cent.

Infrastructure

Power for the CIL plant is provided via a connection to the national grid at Danané, approximately 58km from site. A 90kV single circuit lattice tower transmission overhead line connects Ity to the national grid. Backup power is available onsite from 16 Caterpillar high speed diesel generators with a power rating of 21MW, providing 100 per cent. redundancy of power supply to the CIL operations.

Fuel storage comprises two 1,200m^3 double skinned self-bunded fuel storage tanks and pump skids located within the mining services area. This provides sufficient fuel for the needs of the mining fleet and emergency power for three months if there is any disruption of fuel supply. Fuel levels are regularly monitored by both the fuel supply contractor (TOTAL) and the site supply chain department, with shipments readily available from Abidjan.

Raw water is pumped from the Cavally River and pit dewatering bores to a surge tank ahead of a treatment plant. Filtered water for the process plant is produced by treating raw water in the filtered water treatment plant.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Ity, please see the "*Competent Person's Report*" set out in Annex I.

Tailings

The TSF is located approximately 500m to the southwest of the CIL Plant and was constructed as part of the Ity CIL Gold Project. The TSF has been designed for a total capacity of 65.4Mt with an assumed placed density of 1.3t/m^3. The facility was designed by Knight Piésold who has also been involved with quality assurance and control QA-QC activities on site throughout construction and are also the engineer of record. Decant fluids are not suitable for release to the environment and are thus pumped back to the plant. As per Knight Piésold's design, the TSF is made of compacted soil liner, overlain by HDPE geomembrane liner over the entire basin area (including embankment face), a system of finger and collector drains within low lying areas of the TSF basin and a leakage collection and recovery system ("**LCRS**") installed beneath the basin liner. The facility is designed to be raised in annual stages over the mine life using downstream embankment construction techniques. The Stage 3 raise will be completed by end of June 2021. The annual audit of the TSF by Knight Piésold was completed in November 2020 and no points of material concern were noted in the report. Closure at the end of the mine life will require covering the surface with 0.3m low permeability mine waste and 0.2m of topsoil.

Environment

Several environmental studies have been conducted at Ity over the past 15 years. A comprehensive ESIA was completed for the CIL Project and was published in March 2016. The most recent EISA was for Floleu (Le Plaque) and was approved by the Minister of Environment on 10 July 2020. Several environmental permits have been granted to Ity, covering the mining and process plant, Daapleu, Gbeitouo and Le Plaque exploitation and mining and surface infrastructure. For the year ended 31 December 2020, the Ity Mine contributed U.S.$1.88 million to the government-mandated Local Mining Development Fund, which requires a contribution of 0.5 per cent. of revenue.

Review of Operations

The following table summarises the operating results of the Ity Mine for the years ended 31 December 2018, 2019, and 2020.

	For the year ended 31 December		
	2018	2019	2020
Operating Data			
Tonnes of ore mined (kt)	1,127	5,733	8,571
Tonnes of waste mined (kt)	2,901	8,320	14,898
Tonnes milled (kt)	N/A	3,693	5,353
Average gold grade milled (g/t)	N/A	1.88	1.57
Tonnes of ore stacked (kt)	1,307	N/A	N/A
Average gold grade stacked (g/t)	2.49	N/A	N/A
Recovery Rate (%)	81%	86%	79%
Gold ounces produced	84,832	190,438	212,812
Gold ounces sold	85,191	183,630	208,121
Realised gold price ($/oz)	1,262	1,427	1,749
Cash costs per gold ounce sold ($/oz)	695	557	765
All-in sustaining costs per gold ounce sold ($/oz)	719	616	808
	(in thousands of U.S.$)		
Financial Data			
Revenues	107,511	267,515	363,930
All-in margin[(1)]	46,239	147,507	158,465
Earnings from mine operations	16,271	117,652	168,525

Note:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

Results for the year ended 31 December 2020

Gold production at the Ity Mine was 212,812oz in 2020, which was an increase on the prior year, as the CIL plant operated for the full twelve month period compared to only three quarters in 2019.

Processed grades decreased due to the lower grades mined, as well as the higher proportion of low-grade historical heap leach stockpile used during the year to supplement plant feed.

The gold recovery rate decreased due to greater quantities of Daapleu fresh ore being processed in 2020.

AISC increased to U.S.$808 per ounce in 2020 due to increased sustaining capital related to the component change-out associated with heavy mining equipment and plant upgrades, and the higher royalties associated with the higher gold price.

Revenues for the twelve months ended 31 December 2020 was U.S.$363.9 million which reflects the sale of 208,121oz in the year compared to 183,630oz in 2019, when the mine entered commercial production at the beginning of Q2 2019. The higher revenues also reflected the higher realised gold price in 2020. The earnings from mine operations were U.S.$50.9 million higher than 2019, reflecting the higher revenues in the year being offset by an increase in royalties due to the higher gold prices. The all-in margin increased by U.S.$11.0 million compared to 2019 as the increase in gold sold was offset by higher sustaining and non-sustaining capital in the year, including the commencement of the construction of the Stage 3 tailings storage facility in the latter part of 2020, as well as additional compensation costs for the Floleu mining area.

Results for the year ended 31 December 2019

Gold production for the twelve months ended 31 December 2019 was 190,438 ounces, an increase relative to prior year as the Ity CIL operation had its first gold pour in March 2019, with commercial production declared in Q2 2019. The comparative period production was carried out under the heap leach operation which stopped production in Q4 2018. In the first year of CIL production, the average grade was 1.88 g/t as higher grades were processed with the start-up of commercial production, decreasing in the second half of the year as lower grade stockpiles were used to supplement mill feed.

AISC for the year was U.S.$616 per ounce which reflects the lower operating costs in the first year of production, and nominal sustaining capital expenditure following mine construction.

Revenues for the year were U.S.$267.5 million, reflecting the sale of 183,630 ounces at an average realised gold price of U.S.1,427 per ounce. The earnings from mine operations were U.S.$117.7 million, which includes U.S.$32.2 million in depletion expense for the year. The all-in margin of U.S.$147.5 million reflected the first year of operations, and the nominal amount of sustaining and non-sustaining capital.

Results for the year ended 31 December 2018

Gold production in 2018 was a record 84,832 ounces, in the last year of operations for the Ity heap leach, due to significantly higher grades stacked from the Bakatouo deposit and increased stacking tonnes.

AISC decreased slightly from 2017 due to record production being achieved, as well as lower sustaining capital spend as the Ity heap leach operation neared the end of life.

Revenues for the year were U.S.$107.5 million reflecting the sale of 85,191 ounces of gold at an average realised gold price of U.S.$1,262 per ounce. The earnings from mine operations were U.S.$16.3 million, which was impacted by U.S.$29.0 million in depletion expense for 2018 as the remaining carrying value was depleted as the Ity heap leach operation ceased operations. The all-in margin was U.S.$46.2 million, reflecting the record gold production in the year, as well as nominal sustaining and non-sustaining capital expenditure as the Ity heap leach operation was at the end of its mine life.

Karma Mine, Burkina Faso

Overview

Karma Mine is a non-core mine located in north-central Burkina Faso, 20km east of the city of Ouahigouya and is accessible via a series of paved and unpaved roads.

We hold a 90 per cent. interest in Karma through our wholly owned subsidiary True Gold Mining Inc. The State of Burkina Faso holds the remaining 10 per cent.

Karma comprises one exploitation permit granted to Riverstone Karma SA on 31 December 2013 which initially covered 36.78km^2. The permit area was extended to 50.81km^2 on 10 October 2014 and further extended to approximately 55km^2 on 30 July 2018 to encompass additional pits.

The Karma exploitation permit is valid until 31 December 2033 and may be renewed for consecutive five-year periods until deposits are depleted. The Karma exploitation permit contains six known mineral deposits, namely the Goulagou I ("**GG1**"), Goulagou II ("**GG2**"), Rambo, Kao Main, Kao North and Nami deposits.

Exploration

An exploration programme of U.S.$0.5 million, which comprised drilling 863 RC holes, was completed in 2020 across Kao Main, GG1, Nami, Kao North, Rambo West and Nogo (exploration project). The programme was aimed at infilling and extending mineralisation along strike for a number of the deposits, with additional focus on targets inside the mining focus. Drilling defined a southern continuation of the Kao North East deposit, 200 meters outside of the mining permit.

No material drilling is planned for 2021.

Mining and mine plan

The Karma mine plan consists of multiple open pits. These pits are developed in a sequence, with multiple pits being mined at the same time to provide the ore feed for the heap leach operations. The mining method at Karma is conventional open-pit excavator-truck operation. After an extensive tender process, Karma transitioned to contractor mining in June 2020 when SFTP Mining was awarded the contract. The transition included equipment, spare parts and tooling purchase and the majority of the on-site mining workforce was immediately employed by SFTP.

Drill and blast activities are carried out by SFTP and explosives are supplied by BME.

Mining activity is expected to continue at the Kao North and GG1 pits throughout the year. Near-pit resource extension drilling will be conducted around the Kao pits, GG1, Rambo and Nami, in that order of priority.

The 2021 production is estimated to be 80,000oz-90,000oz at an AISC of U.S.$1,220-U.S.$1,300/oz.

Metallurgy and processing plant

The Karma process plant design was originally designed by SENET (Pty) Ltd and is based on gold heap leach technology consisting of two crushing circuits (for soft and hard ore respectively), agglomeration and stacking, heap leaching with cyanide solution followed by adsorption of the pregnant solution ("**ADR Plant**"), elution and gold smelting. Services to the process plant include cement addition, reagent make-up, storage and distribution, water and air supply. Numerous upgrades were made on the plant to improve performance and reliability such that it is now capable of achieving up to 5.0Mt per annum.

Stacking on the HDPE lined heap leach pads is done in a sequence consisting of a number of cells and lifts. A total of five 10m lifts are planned with preparations underway to commence stacking on lift 5 in the coming months. An additional four cells (2 x 2 configuration) are under construction immediately to the west of the facility to extend heap leach capacity. Following the plant upgrades, a "tripper system" on the northern side of the heap leach pad enables fast relocation between cells for the main ground located conveyor which will also reach the four new cells being constructed. Mobile ramp conveyors operate in series to transfer ore to the stacking horizon after which a series of mobile 'grasshopper' conveyors transfer the ore to the final radial stacker system. Stacking is done in a retreating sequence from the far side of the pad back towards the main ground located conveyor, with 'grasshoppers' removed as stacking continues. Following stacking, the cell is placed under irrigation with a cyanide solution which takes between 120 and 160 days (depending on pit ore type) to fully liberate the gold out of the cell as solution is constantly percolating through the stacked ore before being collected by a series of slotted pipe under drains which transfer pregnant solution back to the ADR Plant.

Infrastructure

Electricity is supplied to the Karma Mine from six 1.0MW caterpillar diesel generators. Water supply is from a raw water storage pond with a capacity of 340,000m^3 and a storm water pond with a capacity of 1,250,000m^3. Potable water is produced at the plant by passing raw water through a filtering and sterilisation system to clarify and kill off biological organisms before it is stored for distribution to the plant and other facilities. Fuel storage comprises ten 67m^3 double skinned self-bunded fuel storage tanks (670m^3 total capacity) and pump skids located within the mining services area. The fuel farm is managed by the fuel supplier (TOTAL) with fuel trucked in regularly from Ouagadougou to maintain volumes.

Waste management facilities at Karma are predominantly focused on the management of waste rock dumps and on cessation of mining and processing operations the heap leach facility used for processing ores.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Karma, please see the "*Competent Person's Report*" set out in Annex I.

Environment

ESIAs for Karma have been completed and environmental permits have been granted covering the open pit mining operations, the plant site and surface infrastructure. For the year ended 31 December 2020, the Karma Mine contributed U.S.$1.81 million to the government-mandated Local Mining Development Fund, which requires a contribution of one per cent. of revenue.

Review of Operations

The following table summarises the operating results of the Karma Mine for the years ended 31 December 2018, 2019 and 2020.

	For the year ended 31 December		
	2018	2019	2020
Operating Data			
Tonnes of ore mined (kt)	4,715	3,745	4,781
Tonnes of waste mined (kt)	12,217	15,690	14,377
Tonnes of ore stacked (kt)	4,097	4,196	4,871
Average gold grade stacked (g/t)	0.95	0.91	0.84
Recovery Rate (%)	82%	82%	77%
Gold ounces produced	108,733	96,534	98,185
Gold ounces sold	108,308	96,615	98,313
Realised gold price[2] ($/oz)	1,044	1,151	1,477
Cash costs per gold ounce sold ($/oz)	781	872	956
All-in sustaining costs per gold ounce sold ($/oz)	813	903	1,007
	(in thousands of U.S.$)		
Financial Data			
Revenues[2]	113,061	111,185	145,211
All-in margin[1]	(227)	(3,007)	35,857
Loss from mine operations	(38,082)	(24,328)	(27,318)

Notes:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

(2) Realised gold price and Revenues are net of the gold stream sales to Franco/Nevada and Sandstorm.

Results for the year ended 31 December 2020

Gold production at Karma was 98,185 ounces in 2020, a slight increase compared to 2019, due to higher volumes of stacked tonnage resulting from the completion of upgrades to the stacking system during Q4 2019. The increase in tonnes stacked was offset by lower gold grades and lower gold recovery rates which were associated with ore from the GG1 pit which was brought into production in early 2020.

AISC increased as a result of higher sustaining capital due to the removal of waste from the production area, as well as higher royalties with the increase in the average realised gold price.

Revenues for the twelve months ended 31 December 2020 were U.S.$145.2 million, reflecting the higher ounces sold in the year as well as an increase in the average realised gold price, which is net of the impact of the gold stream. The loss from mine operations of U.S.$27.3 million reflects higher depletion for the year due to higher production as well as a decrease in the depletable reserves base. The all-in margin of U.S.$35.9 million increased relative to the prior year due to the impact of the higher realised gold prices and lower non-sustaining capital in the year.

Results for the year ended 31 December 2019

Gold production at Karma decreased in 2019 compared to 2018 due to lower grades associated with supplemented ore stacked from stockpiles.

AISC slightly increased from 2018 as a result of higher waste capitalisation and lower production.

Revenues for the twelve months ended 31 December 2019 were U.S.$111.2 million, reflecting 96,615 ounces sold in the year and an average realised gold price of U.S$1,151 per ounce, which is net of the impact of the gold stream. The loss from mine operations of U.S.$24.3 million reflects higher depletion for the year compared to 2018 due to the decrease in the estimate of the depletable reserves base. The all-in margin loss of U.S.$3.0 million is relatively consistent with the prior year as an increase in mining costs was offset by a decrease in the processing costs in the year. The sustaining and non-sustaining capital expenditure was relatively consistent with the prior year.

Results for the year ended 31 December 2018

Gold production at Karma Mine increased in 2018, despite a lower processed grade, as the plant optimisation work completed in 2017 increased stacking capacity.

AISC slightly decreased from 2017, specifically in the second half of the year, as the majority of the ore stacked was oxide ore.

Revenues for the twelve months ended 31 December 2018 were U.S.$113.1 million, reflecting 108,308 ounces sold in the year at an average realised gold price of U.S$1,044 per ounce, which is net of the impact of the gold stream. The loss from mine operations of U.S.$38.1 million reflects the lower realised gold price and the impact depletion for the year. The all-in margin loss of U.S.$0.2 million is an increase relative to the prior year due to the increase in gold ounces sold as well as a higher average realised gold price.

Mana Mine, Burkina Faso

Overview

The Mana Gold Mine is located in the Mouhoun Province approximately 210 km west-southwest of Ouagadougou, the capital of Burkina Faso and 40km south of the provincial capital of Dedougou. The Mana operation is accessible by road from the capital city of Ouagadougou.

Mana's mineral rights comprise one mining exploitation permit (the "**Mana licence**"). The Mana licence is held by Semafo BF. We hold, indirectly through our subsidiary Semafo (Barbados) Ltd., a 90 per cent. stake in Semafo BF. The remaining 10 per cent. interest in Semafo BF is held by the Government of Burkina Faso.

Following several extension procedures in 2013 and 2014 and one partial abandonment of perimeter in 2019, the Mana licence went from an original area of 93,5 km² to a current perimeter of 76,88 km². The Mana licence expires on 20 March 2030 and is renewable for consecutive five-year periods. We hold eight contiguous exploration permits collectively known as the Mana Permit Group, which covers approximately 1,231km^2.

Exploration

In 2020, we spent a total of U.S.$3 million following the acquisition of Mana. During the full year, a total of 28,500 metres were drilled to follow up on resource expansion and targets identified by geological review. Drilling focused on the Kona open pit to evaluate the northeast extension of the Wona Kona Shear, the northeast extension of the Siou and Zone 9 shears, as well as infill drilling in deeper zones of the southern portion of Siou. Further drilling was completed on the Bana permit to test geologic models for mineralisation at the Kana and Kokoi West targets. Infill drilling at the southern end of the Siou underground was focused on the Inferred material and to evaluate the northeast continuations of oxide mineralisation at both the Kona and Siou open pits. An exploration programme of up to U.S.$8 million is planned for 2021, comprising 44,000 metres of drilling, to focus on mine lease targets including Kona, Siou and Maoula, and proximal mine lease targets including Fofina Sud.

Mining and mine plan

Two types of mining are employed at the Mana Mine, namely open pit and underground. Open pit mining will continue in 2021 in the Wona South pit, and underground mining at Siou. Following completion of the updated PFS, underground mining will be employed below the Wona North pit, commencing in Q4 2021, in addition to the existing Siou underground mine.

The Siou open pit was exhausted in 2020, and open pit production will focus on the southern half of the Wona pit in 2021 with mining rates reducing in the second half of the year as the pit will be fully mined out by mid-2022. Mining is carried out using a mix of owner and rental fleets. Grade control drilling is carried out by a drilling contractor.

For underground mining at Siou, production ramp up to 2,000 t/d using AUMS as the contract miner was achieved in February 2020. In 2020, 7.7 km of lateral and 0.6 km of vertical development was completed, 10 km of grade control diamond drilling was realised and ventilation and escapeway networks were built while delivering 714kt of ore at 4.52g/t to the processing plant.

Underground mining will also be utilised at Wona North. Two underground long-hole mining methods will be used: longitudinal sublevel retreat and transverse open stoping. These methods were selected due to the inclination of mineralised lenses and width associated with wide stockwork ore zones. The ore production rate

for Wona Underground is planned to ramp up to 4,000 tpd of combined development and production stoping ore, utilising contract mining similar to the Siou Underground.

In 2021, Mana is expected to produce 170,000oz to 190,000oz at an AISC of U.S.$975-$1,050/oz.

Metallurgy processing plant

The Mana Processing Plant was constructed in 2008 and was upgraded in a number of stages over the following years to enable a throughput up to 8,000tpd. The flowsheet comprises a jaw crusher with radial stacker, standard SABC comminution circuit, CIL circuit, Zadra elution circuit, gold electrowinning and tailings disposal. Slurry tails from the CIL circuit are pumped to the tailings storage facility and supernatant water is recycled back to the mill.

The Mana plant processes oxide, transition and fresh ore with variable ore characteristics, gold grades and metallurgical treatment requirements. There will be no changes in processing as a result of the change of mining method from open pit to underground mining.

Infrastructure

Due to the remote location of the Mana site, power is provided by a diesel-fuelled generation station located adjacent to the process plant which has 8 Caterpillar 1.6MW and 9 older Cummins 400kW and 1.0MW gensets which are being progressively phased out, with 2 more Caterpillar gensets to be installed in the coming years. The underground mine at Siou is powered by 3 Caterpillar 1.0MW gensets due its remote location, whereas the DFS for the Wona North underground is considering power from the main site power station.

An on-site bulk fuel storage facility is located close to the power plant and provides diesel for power generation, mine trucks, light vehicles and users at the process plant. Fuel is provided by our supplier TOTAL. A second, smaller fuel facility is located at the Siou Underground mine, approximately 15km from Wona.

Operational water demand is met from TSF decant, pit dewatering (including precipitation in the pit area), surface runoff and site groundwater which is collected in raw water dams and ponds around the site.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Mana, please see the "*Competent Person's Report*" set out in Annex I.

Tailings

The TSF comprises a paddock storage surrounded by four perimeter dykes and has been subdivided into two cells by a median dyke. Tailings are discharged to the facility via a 5-km pipeline. The supernatant water is recycled to the plant. Ten control wells around the TSF monitor groundwater quality and fluctuations in the water table. The TSF embankments are raised annually alternating between the east and west cells, with a total area of approximately 130 Ha. The tailings are deposited alternately in each cell to accelerate consolidation and evaporation. The Mana TSF was initially designed as an upstream lift, however, the current lift is a centre line lift to increase the safety factor and will be completed by Q2 2021. The last audit was conducted in March 2020 by BBA, with no items of material concern were noted. Starting in 2021, Knight Piésold will be conducting annual audits.

Environment

A comprehensive ESIA was completed in 2006. In 2018, an ESIA as conducted for the Siou underground mine. Several environmental permits have been granted covering the mining and processing plant, the Wona, Nyafé, Filon 67, Siou, Fosse and Fofina pits and the surface infrastructure. For the year ended 31 December 2020, the Mana Mine contributed U.S.$3.74 million to the government-mandated Local Mining Development Fund, which requires a contribution equal to one per cent. of revenue.

Review of Operations

The following table summarises the operating results of the Mana Mine for the years ended 31 December 2018, 2019 and 2020.

	For the year ended 31 December		
	2018	2019	2020
Operating Data			
Tonnes of ore mined—open pit (kt)	2,110	1,338	1,502
Tonnes of waste mined—open pit (kt)	17,802	9,254	24,501
Tonnes of ore mined—underground (kt)	—	100	714
Tonnes processed (kt)	2,356	1,445	2,433
Average gold grade milled (g/t)	2.36	2.28	3.02
Recovery Rate (%)	93%	90%	93%
Gold ounces produced	181,000	135,700	218,667
Gold ounces sold	181,100	131,700	214,318
Realised gold price ($/oz)	1,268	1,367	1,782
Cash costs per gold ounce sold ($/oz)	747	692	441
All-in sustaining costs per gold ounce sold ($/oz)	1,018	1,025	769
	(in thousands of U.S.$)		
Financial Data			
Revenues	229,713	179,992	381,923
All-in margin[(1)]	24,661	(26,369)	164,828
Earnings from mine operations	29,690	34,504	94,418

Notes:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

(2) The financial data for the twelve months ended 31 December 2020 have been compiled from the six months ended 30 June 2020 prior to the acquisition by the Company and the six months from 1 July 2020 to 31 December 2020, which reflect the fair value adjustments in the purchase price allocation at the acquisition date.

Results for the year ended 31 December 2020

Gold production of 218,667 ounces in 2020 was driven by an increase in throughput at a higher average grade and improved recovery rates, due in part to the higher grade tonnes mined from the Siou underground in the year. Higher grades processed in 2020 were in part enabled by the stripping activities at Siou and Wona incurred in the prior year whilst processing was suspended for 10 weeks following the pit wall failure at the Wona pit in August 2019.

AISC of U.S.$769 per ounce reflected a significant decrease versus the prior year, primarily driven by the increased ounces produced from higher grades.

Revenues from gold sales amounted to U.S.$381.9 million, a significant increase driven by the increase in production in addition to the higher average realised gold price. Earnings from mine operations were U.S.$94.4 million, an increase of U.S.$59.9 million relative to the prior year, which reflects the impact of the higher sales at a higher average realised gold price, offset by the impact of the higher depletion reflecting the increase in the carrying value of the mining interest as a result of the purchase price allocation upon acquisition. The all-in margin of U.S.$164.8 million reflects the higher revenues in the year as well as a decrease in the sustaining and non-sustaining capital expenditures relative to the prior year.

Results for the year ended 31 December 2019

Gold production was 135,700 ounces in the twelve months ended 31 December 2019, a decrease relative to the prior year due primarily to a 10-week suspension in ore processing following a pit wall failure in the Wona pit in August 2019. Subsequently, the mining operations focused on stripping activities at the Siou and Wona open pits resulting in a higher strip ratio compared to 2018 and a decrease in the tonnes of ore mined. This was offset by the development of the Siou underground, which commenced in Q4 2019 and provided 99,600 tonnes of ore at 4.6 g/t Au.

AISC of U.S.$1,025 per ounce was broadly in line with the prior year, despite the impact of the shutdown with lower mining operations expenses mainly due to the focus on stripping activities.

Revenues from gold sales in 2019 amounted to U.S.$180.0 million compared to U.S.$229.7 million in 2018, which reflects the decrease in the number of gold ounces sold, partially offset by the higher realised gold prices. Earnings from mine operations were relatively consistent with the prior year as the decrease in revenues had a corresponding decrease in the operating expenses in the year. The all-in margin for 2019 was a loss of U.S.$26.4 million which reflected the increase in sustaining and non-sustaining capital expenditure of approximately U.S.$47.2 million primarily due to capitalised waste stripping during the year.

Results for the year ended 31 December 2018

Gold production in 2018 was 181,000 ounces which was a decrease compared to the prior year due to a decrease in the tonnes of ore processed due to ore hardness, which was expected based on the mine plan. The grades and recoveries were also slightly lower than the prior year which contributed to the lower production in the year.

AISC reached U.S.$1,018 per ounce sold, compared to U.S.$942 per ounce sold in the previous year, primarily due to an increase in mine level security expenses and lower recovered head grades.

Revenues from gold sales in 2018 amounted to U.S.$229.7 million compared to U.S.$259.0 million for 2017, which is attributable to a decrease in the gold ounces produced and sold, partially offset by the higher average realised selling price. Earnings from mine operations were U.S.$29.7 million which reflected the decrease in revenues relative to the prior year. The all-in margin was U.S.$24.7 million which reflected the lower revenues relative to the prior year, and U.S.$59.6 million in sustaining and non-sustaining capital expenditures in the year.

Sabodala-Massawa Mine, Senegal

Overview

The Sabodala-Massawa Mine is located approximately 720km east-southeast of Dakar, Senegal and 110km north of the town of Kédougou.

The Sabodala-Massawa Mine consists of two mining licences, the Sabodala exploitation permit ("**Sabodala licence**") and the Massawa exploitation permit ("**Massawa licence**"). The Sabodala Licence is held by Sabodala Gold Operations SA ("**SGO**") while the Massawa licence is held by Massawa SA ("**Massawa**"). We hold indirectly through our subsidiaries a 90 per cent. stake in each of SGO and Massawa with the Government of Senegal holding the remaining interest.

The Sabodala processing facility is located on the Sabodala Licence, whereas the deposits that will be processed by the facility are located on both licence areas. The Sabodala licence covers an area of 291.2km^2 and is renewable for one or several periods of not more than 10 years each until the depletion of the deposit.

There are two exploration permits related to the Sabodala licence. They are the Bransan and Sounkounkou exploration permits and they cover 337.3km^2 and 291.7km^2, respectively. They are valid for four years from 20 April 2018 and renewable twice for three years each time.

The Massawa licence is contiguous with the Sabodala Lot-A mining concession and covers an area of 320.2km^2. It is valid for 20 years from 21 February 2020 and may be renewed for periods of five years at a time.

Exploration

The resource definition programme at Goumbati West—Kobokoto was completed early in 2020 with the drilling of 39 RC holes totalling 2,640m. Thereafter, no additional exploration work was undertaken within the Sabodala Mining Licence or on the Sabodala regional exploration permits, with all focus directed to the Massawa licences which were acquired in March 2020.

On the Sabodala-Massawa Licenses and exploration permits over 36,000 metres were drilled in 2020 with activity planned to ramp up significantly in 2021, specifically on the Massawa deposits, which represents our largest single project exploration spend.

On the Sabodala-Massawa Licenses and exploration permits in 2021, a U.S.$13 million exploration programme is planned to define new resources on near-mine targets at Sabodala-Massawa, including CZ, Sofia, Samina, Tina and Niakafiri, and to evaluate the potential of other near-mine and regional exploration targets. At Sofia North, drilling will be directed towards extending the non-refractory ore resources. Samina, Tina and Delya have had limited shallow drilling to date and show potential for additional mineralisation at depth. Initial drill

results at Samina demonstrate possible oxide mineralisation at depth, which will be tested during 2021. A number of other prospects, located within the structural corridor between the Sabodala Sofia Shear Zone and the Main Transcurrent Shear Zone, will also be explored.

Mining and mine plan

In March 2020, Teranga acquired the Massawa project, merging the operation with Sabodala. Mining at Massawa's Sofia deposit started in July 2020 after the completion of the 30km haul road to the Sabodala plant and is the primary ore source for 2021. The mining method utilised is conventional drill and blast, truck and shovel and is conducted with our own fleet. All surface ore haulage is outsourced to a specialist contractor. We contract the supply of explosives and blasting accessories to Orica who is an approved explosives supplier. Grade control drilling is carried out by a combined owner and contractor drilling fleet.

Following the start of commercial production at Massawa on 1 September 2020, high-grade Massawa ore was prioritised for processing through the Sabodala mill, resulting in a record 79koz of gold produced in Q4 2020. Plant feed in 2021 will continue to be sourced primarily from the Sofia North and Main pits of the Massawa mining areas.

Sabodala-Massawa is on track to produce between 310,000oz to 330,000oz at an AISC of U.S$690-U.S.$740/oz in the period from 10 February 2021 to 31 December 2021.

Metallurgy processing plant

The processing plant at Sabodala comprises a CIL processing plant which was originally commissioned in 2009 and expanded in 2012 to a fresh ore design capacity of 3.6Mtpa and a mixed/fresh capacity of 4.0Mtpa to 4.2Mtpa, reflecting throughput of 500tph. The plant comprises facilities for crushing, grinding, CIL cyanidation, and tailings disposal. Gold recovery facilities include acid washing, carbon stripping and electro winning, followed by bullion smelting and carbon regeneration.

Upgrades to the Sabodala process plant that are part of Phase 1 of the plan to integrate the higher grade Massawa non-refractory will be completed in 2021. This comprises the installation of a gravity circuit and upgrades to the back end of the plant including: additional elution column, acid wash column, carbon regeneration kiln and electrowinning cell to improve carbon management and additional leach tank to increase residence time.

As part of Phase 2, a Definitive Feasibility Study ("**DFS**") for the treatment of refractory ore is underway and due for completion in Q4 2021. This study is based on the PFS completed by Teranga and includes results of additional test work undertaken post the PFS and takes into consideration some additional enhancements to the circuit to cater for various ore blends.

Infrastructure

The infrastructure at the Sabodala-Massawa Mine includes the processing plant, TSF, water storage dams, power station, workshops for fixed and mobile plant, offices and accommodation facilities.

Current power requirements of 20MW is provided via a dedicated power station comprising six MAK generators running on heavy fuel and rated at 6MW each. Two smaller diesel gensets provide black start capacity. Fuel is supplied by Vivo Energy Senegal for HFO and diesel. The DFS will consider capacity upgrades to the power station with an additional five to six generators to provide sufficient capacity for the refractory plant.

Water supply is sourced from three freshwater dams, and in the event of emergency, via a 42km pipeline from the Falémé River. The current operations of the CIL Plant are sustained by recycled water from TSF1. No upgrades will be required for the addition of the refractory plant. For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Sabodala-Massawa, please see the "*Competent Person's Report*" set out in Annex I.

Tailings

The Sabodala operations currently operate the same TSF ("**TSF1**"), since processing commenced. The TSF is unlined and consists of upstream raise berms built with clay material from local borrow areas and mine waste; a spillway on the western embankment; and supernatant pond controlled by a decant rock ring.

A second tailings storage facility ("**TSF2**") has been designed and permitted for future construction and we are currently evaluating the merits of a HDPE lined dam instead of the same design as per TSF1. For the refractory

processing plant, and additional two facilities are required, both of which are to be located on the TSF1 footprint. These include a double HDPE lined BIOX tailings facility and for the flotation tailings.

The last audit of TSF1 was completed in May 2019 by Land & Marine Geological Services (Australia) Pty Ltd ("**Land & Marine**"). No points of material concern were noted in their report. Independent audits for the TSF infrastructure are planned on an annual basis going forward.

Environment

Since 2008, at least eight ESIA processes have been undertaken to provide input to environmental permitting processes at the Sabodala-Massawa Mine. Currently, a combined ESIA for Sabodala-Massawa is underway and is expected to be completed by end of 2021, with the related environmental permit being issued in Q1 2022. Several environmental permits have been granted covering the process plant, mining and surface infrastructure.

Review of Operations

The following table summarises the operating results of the Sabodala-Massawa Mine for the years ended 31 December 2018, 2019 and 2020.

	For the year ended 31 December		
	2018	2019	2020
Operating Data			
Tonnes of ore mined (kt)	1,921	2,909	5,286
Tonnes of waste mined (kt)	35,347	30,977	28,666
Tonnes milled (kt)	4,069	4,161	4,122
Average gold grade milled (g/t)	2.03	1.98	1.94
Recovery Rate (%)	92%	91%	89%
Gold ounces produced	245,230	241,276	229,199
Gold ounces sold	246,073	233,505	226,270
Realised gold price ($/oz)	1,271	1,366	1,784
Cash costs per gold ounce sold ($/oz)	693	757	835
All-in sustaining costs per gold ounce sold ($/oz)	897	904	950
	(in thousands of U.S.$)		
Financial Data			
Revenues	312,294	318,202	401,931
All-in margin[(1)]	83,609	95,374	145,332
Earnings from mine operations	80,215	63,179	144,780

Note:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

Results for the year ended 31 December 2020

Gold production decreased by 5 per cent. to 229,199 ounces compared to the prior year, due to lower average head grades and slightly lower recovery rates, offset in the fourth quarter of the year by the higher grades from Massawa, following commercial production being declared on 1 September 2020. Total tonnes mined were lower than the prior year, primarily due to lower equipment operating hours from April onwards, due mostly to COVID-19 restrictions and deployment of mine operations equipment for the construction of the haul road to Sofia Main deposit on the Massawa mining permit. Total ore tonnes milled remained broadly consistent with the prior year. Overall grades decreased slightly, which was primarily due to pit sequencing in the first half of 2020, partially offset by higher head grade from the Sofia Main pit beginning in the second half of the year.

AISC increased to U.S.$950 per ounce from U.S.$904 per ounce in 2019, reflecting the lower average grade and the increased gold price impacting royalties.

Revenues from gold sales amounted to U.S.$401.9 million, an increase driven by the higher average realised gold price of U.S.$1,784 per ounce compared to U.S.$1,366 in the prior year. Earnings from mine operations were U.S.$144.8 million, an increase of U.S.$81.6 million relative to the prior year, which reflects the impact of higher sales at a higher average realised gold price. The all-in margin of U.S.$145.3 million reflects the higher revenues in the year offset by capital expenditures on the development of Massawa during the year.

Results for the year ended 31 December 2019

Gold production in 2019 was 241,276 ounces, a slight decrease relative to the prior year due to lower average grades and recovery rates, partially offset by higher ore tonnes milled in 2019 due to increased plant availability. The ore tonnes mined increased by 51 per cent. compared with the prior year, due to the prioritisation of the higher grade, lower stripping mining areas within Golouma West and Kerekounda in the second half of 2019, and the commencement of mining near surface ore at Maki Medina in Q4 2019.

AISC was U.S.$904 per ounce in 2019 which was relatively consistent with the prior year, the small increase due to lower gold ounces sold and lower capitalised deferred stripping costs between years, partially offset by lower mine production costs and net inventory movements in 2019. Revenues from gold sales amounted to U.S.$318.2 million, which is relatively consistent with the prior year, the decrease in ounces sold being offset by an increase in the average realised gold price. Earnings from mine operations were U.S.$63.2 million, a decrease of U.S.$17.0 million relative to the prior year, which reflects the impact of the higher sales at a higher average realised gold price. The all-in margin of U.S.$95.4 million is relatively consistent with the prior year, the slight increase reflecting the higher revenues in the year.

Results for the year ended 31 December 2018

Gold production was 245,230 ounces in 2018, an increase of five per cent. compared to 2017, primarily due to higher average head grades, partially offset by lower ore tonnes milled during the year, due primarily to a higher proportion of hard rock in the mill feed and the impact of increased rainfall on the crushing circuit during Q3 2018.

AISC was U.S.897 per ounce in 2018, which reflects the slight increase in ounces sold during the year and slightly lower operating expenses in the year.

Revenues from gold sales amounted to U.S.$312.3 million, an increase compared to the prior year due to an increase in the ounces sold. Earnings from mine operations were U.S.$80.2 million, which reflects the impact of the higher sales in the year. The all-in margin of U.S.$83.6 million is relatively consistent with the prior year.

Wahgnion Mine, Burkina Faso

Overview

The Wahgnion Mine is located in the Léraba Province in the southwestern corner of Burkina Faso which is bound by the Côte d'Ivoire border to the south and the Mali border to the west. The mine is approximately 600km by road southwest of the capital city of Ouagadougou, and 40km to the south of Niankorodougou and consists of a contiguous block totalling approximately 102,236ha comprising a mining licence and five exploration permits.

The mining licence covers an area of 89 km^2 (the "**Wahgnion Mining licence**") within which a CIL processing plant has been constructed and the regional exploration package is considered to be within trucking distance. The Wahgnion Mining licence is 90 per cent. owned through our Burkinabe subsidiary, Wahgnion Gold Operations SA ("**WGO**") and the government of Burkina Faso owns the remaining 10 per cent. We hold 100 per cent. of all five of the current exploration permits which are held indirectly through our 100 per cent. indirectly owned Burkinabe subsidiary, Gryphon Minerals Burkina Faso SARL. The current exploration licences cover an area over 900 km^2. Both the exploration permits and the Wahgnion Mining licence are located in a major gold district.

Exploration

Exploration activities resumed at the Wahgnion Mining licence during the second half of 2020 with drilling programmes targeting resource expansion at the Fourkoura deposit, as well as delineating potential mineral resources at the Konotvogo and Dagano prospects. A total of 104 reverse circulation and diamond core holes totalling 11,943 metres were completed. In addition, sterilisation drilling was undertaken on waste dump areas, with 92 reverse circulation holes totalling 3,525 metres completed. Soil sampling was conducted at detailed grids at Dagano and Muddhi prospects. In addition, 37 holes totalling 4,762 metres were drilled and a detailed soil grid-sampling programme was completed at the Banagoro South prospect on the regional land package.

The 2021 exploration programme, with a budget of U.S.$12 million, will focus on the Nogbele deposits, targeting the down dip continuation of mineralised structures between the pits. Additionally, the north-northeast

continuation of the Fourkoura deposit and the Hillside target will be tested for extensions. On the exploration permits, efforts will be focused on the Kafina West and Korindougou targets.

Mining and mine plan

The Wahgnion Mine consists of five main regions: Nogbele North, Nogbele South, Fourkoura, Stinger, and Samavogo. Mining is conducted by way of conventional open pit mining techniques using drill and blast with material movement performed by hydraulic excavators and trucks. An extensive RC drill programme is conducted for grade control. WGO own and operate a significant portion of the mining fleet, which has been supplemented by contractor mining, using SFTP for satellite deposits.

In 2021, we expect to conclude the compensation, village construction and relocation for the Fourkoura Pits. We have also commenced construction of TSF Cell 2 and an airstrip which required a small amount of compensation and resettlement.

Waste extraction is expected to increase, resulting in a higher strip ratio, which is expected to grant access to higher grade oxides ore from the Fourkoura and Nogbele South pits.

Wahgnion is expected to produce 140,000oz to 155,000oz at an AISC of U.S.$940-$990/oz in the period from 10 February 2021 to 31 December 2021.

Metallurgy processing plant

The processing plant design at Wahgnion is based on a conventional CIL gold process flowsheet consisting of primary crushing, SAG and ball milling, with a pebble crusher, CIL gold extraction, elution, electrowinning, and gold smelting to produce doré on site. Throughput is currently materially higher than nameplate, operating at 3.4Mt per annum.

Infrastructure

Site-wide electrical power requirements for infrastructure, mining and processing is sourced from an on-site HFO fuelled power station with six MAK8 medium speed heavy fuel generators and three Caterpillar high speed diesel generators. Emergency power from a standby 300 kVA diesel powered generator is provided to the process plant. Wahgnion Mine has a fuel supply contract with TOTAL. There is an onsite fuel storage facility (fuel farm) which stores HFO and diesel for the power plant, mine trucks, light vehicles and users at the process plant.

The principal water storage facility is the already mined out Nangolo open pit to which water from other operating pits is directed, and the water harvest dam ("**WHD**"), located between the permanent accommodation village and the processing plant. A pipeline to the nearby Léraba River has been installed through has not been utilised.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Wahgnion, please see the "*Competent Person's Report*" set out in Annex I.

Tailings

Tailings are stored in a conventional paddock style TSF, located east of the processing plant. The final TSF design comprises a two-cell paddock facility consisting of a zoned, downstream constructed embankment. The original facility is designed to store the LOM tailings, with capacity to contain all supernatant and runoff from up to 100-year rainfall events. Early works on the second cell started in January 2021 and full construction is now underway, with completion planned in 2022.

Independent audits for the TSF infrastructure are planned to be completed on an annual basis. The last audit was completed in December 2020 (virtual audit due to pandemic restrictions) by Land & Marine. No items of material concern were noted.

Environment

ESIAs were completed in 2014 and 2019 and an environmental permit has been granted covering the processing plant, mining and surface infrastructure. For the year ended 31 December 2020, the Wahgnion Mine contributed U.S.$2.75 million to the government-mandated Local Development Mining Fund, which requires a contribution of one per cent. of revenue. The Local Mining Development Fund is not yet operational and is awaiting government response.

Review of Operations

The following table summarises the operating results of the Wahgnion Mine for the year ended 31 December 2019 (when the Wahgnion Mine achieved commercial production), and the year ended 31 December 2020.

	For the year ended 31 December	
	2019	2020
Operating Data		
Tonnes of ore mined (kt)	1,532	3,813
Tonnes of waste mined (kt)	10,619	22,645
Tonnes milled (kt)	958	3,606
Average gold grade milled (g/t)	1.63	1.59
Recovery Rate (%)	95%	95%
Gold ounces produced	47,492	175,261
Gold ounces sold	34,447	181,193
Realised gold price ($/oz)	1,472	1,756
Cash costs per gold ounce sold ($/oz)	886	792
All-in sustaining costs per gold ounce sold ($/oz)	975	954
	(in thousands of U.S.$)	
Financial Data		
Revenues	34,920	318,089
All-in margin[(1)]	11,793	131,912
Earnings from mine operations	6,701	122,652

Note:

(1) All-in margin is calculated as revenues less operating expenses, royalties, non-cash operating expenses and sustaining and non-sustaining capital expenditures for the period.

Results for the year ended 31 December 2020

Gold production of 175,261 ounces represented a significant increase compared to the prior year as 2020 was the first full year of operations, with commercial production achieved in November 2019. Ore tonnes mined were 3.8 million tonnes, above the original plan due to changes in mining sequence and additional ore identified from the reserves model, resulting in a positive tonnage reconciliation to reserves in the Nogbele pits, at an average grade of 1.59 g/t. Ore tonnes milled for year were 3.6 million tonnes, above the original plan due to increased throughput in the materials handling and grinding sections of the plant and a higher than average component of oxide to fresh blend.

AISC of U.S.$954 per ounce for the year was in line with the plan and represents a decline from the prior year, reflecting the continued ramp up to full operating levels of the mine post commercial production.

Revenues from gold sales amounted to U.S.$318.1 million, an increase compared to the prior year due to an increase in the ounces sold and the higher average realised price in 2020 relative to the prior year. Earnings from mine operations were U.S.$122.7 million, which reflects the impact of the higher sales in the year, offset by operating expenses and depletion expense for the entire year of operations. The all-in margin of U.S.$131.9 million reflects a full year of operations.

Results for the year ended 31 December 2019

Gold production in 2019 was 47,492 ounces which reflects the production following the declaration of commercial production on 1 November 2019. Ore tonnes milled for 2019 was approximately one million tonnes, which was 47 per cent. above guidance due to earlier than planned commissioning of the processing plant and higher than nameplate throughput.

AISC of U.S.$975 per ounce for the year was in line with the plan as the mine started operations in the fourth quarter of 2019.

Revenues from gold sales amounted to U.S.$34.9 million in the period from 1 November 2019 to the end of the year, following declaration of commercial production, relating to the sale of 34,447 ounces. Earnings from mine operations were U.S.$6.7 million, which reflects the earnings for the last two months of the year. The all-in margin of U.S.$11.8 million reflecting the limited sustaining and non-sustaining capital expenditures in the final two months of 2019.

Development Projects

Fetekro Project, Côte d'Ivoire

The Fetekro project area is located in the northern part of Côte d'Ivoire in the Valley of Bandama, 550km north of Abidjan.

La Mancha Cote d'Ivoire S.à r.l. ("**LMCI**"), one of our wholly owned subsidiaries, has been the operator of the Fetekro permit since 2014. LCMI became our fully owned subsidiary in November 2015, being held 100 per cent. by Ity Holdings, another of our wholly owned subsidiaries. Fetekro's mineral rights comprise of one exploration permit, referred to as PR329. On 18 December 2020, pursuant to a sale of exploration agreement, the PR329 was transferred from SODEMI to LMCI by Ministerial order N° 00174/MMG/DGMG. An application for the mining licence was submitted by LMCI on 2 February 2021 and the licence is expected to be issued in 2021.

As announced on 21 December 2020, we acquired an additional stake in the Fetekro Project from SODEMI for a consideration of U.S.$19 million plus contingent payments of U.S.$3 per ounce for future Proven and Probable Reserves defined outside of the existing Measured and Indicated Resource boundary. The contingent payment is based on a gold price of U.S.$1,450 per ounce and will be adjusted upwards or downwards in a linear relationship with the gold price. Under the terms of the agreement, once the mining permit is granted, we will be entitled to an 80 per cent. stake in the Fetekro Project, compared to 65 per cent. previously, while SODEMI and the Government of Côte d'Ivoire will each have a 10 per cent. stake. We will retain full ownership of the Fetekro exploration licence until it is converted into a mining licence.

The environmental permit was received on 18 February 2021.

The 2020 drilling programme at Fetekro was primarily dedicated to converting the south extensions discovered in 2019 into indicated resources for the PFS. An exploration programme was also conducted to test the down dip extensions on the western part of the orebody. Some holes have also been drilled for high pressure grinding rolls ("**HPGR**") tests and hydrological purposes.

In 2020, 329 holes were drilled for a total meterage of 80,584m. 291 holes were drilled for infill drilling (35,693m RC and 35,671m RC-DD), 28 holes for nearby deposits exploration (2,921m RC and 5,045 RC-DD), and 10 holes for the PFS studies (108m RC, 412m DD and 734m Hydro). The campaign has been conducted in two phases: Phase1 led to the estimation of 2.537Moz I+I resources and Phase 2 was dedicated to PFS hydro and metallurgical drilling and nearby deposit exploration. The exploration programme confirmed the down-dip extensions of the mineralisation on the southwestern part of the orebody (Lafigué Centre and Sud).

In August 2020, we published the results of an initial PEA. The PEA was based on the previously announced 1.2Moz Indicated Resource, which demonstrated robust project economics including a pre-tax NPV of 5 per cent. of U.S.$372 million and an IRR of 37 per cent. at a U.S.$1,500/oz gold price with life of mine AISC of U.S.$697/oz.

An exploration programme of U.S.$6 million is budgeted for 2021, which will focus on the definitive feasibility study requirements, which include geotechnical, hydrogeological and sterilisation drilling, as well as further exploration drilling which will work towards increasing the inferred and indicated resources at Lafigué by the end of 2021.

Based on the PEA results, a PFS was launched in Q3 2020 on the updated mineral resource estimate showing 2.5Moz of indicated resources. The PFS was completed in February 2021 and a news release detailing its findings was published on 23 February 2021. The Lafigué Report was published on 1 April 2021. The results show that future operation could have a life of mine of approximately 10 years, with an average production in excess of 200 koz/yr for the first nine years, based on current reserves of 2.1 million ounces. Applying a long-term gold price of U.S.$1,500/oz on a flat line basis from the commencement of production, the pre-tax NPV of 5 per cent. is U.S.$663 million and the pre-tax IRR is 38 per cent. The life of mine average AISC is U.S.$838/oz. A DFS is currently underway.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Fetekro, please see the "*Competent Person's Report*" set out in Annex I.

Kalana Project, Mali

The Kalana Project is located in the Sikasso Region of southwest Mali, approximately 250 km south of the capital Bamako, near the border with Guinea in West Africa. The Project covers a surface area of 387.4 km^2. The main deposit, Kalana, is located within one kilometre of Kalana town. The satellite deposit of Kalanako is

located three kilometres northeast of Kalana deposit. The Project includes two historical TSFs containing residual gold.

The Kalana Project comprises one exploitation permit (the "**Kalana Permit**") which is registered to our indirect subsidiary, Société des Mines d'Or de Kalana ("**SOMIKA**") and two additional exploration permits that we hold.

The Kalana Permit confers the right to exploit and explore for gold and silver for a period of 30 years and the permit may be renewed for two additional 10-years terms until the mineral reserves are depleted within the boundaries of the permit.

In order to consolidate the land around Kalana permit, two additional contiguous exploration permits were sought and obtained. The first is the Fougadian permit, which covers 100 km² and is located to the south of the Kalana permit, obtained on 2 May 2018. The second permit is the Kalako West permit, which covers 21 km² located to the northeast of Kalana.

In 2020, greenfield exploration (including soil sampling and field mapping) was conducted on the Kalana project permits. An exploration plan and budget for 2021 is to be evaluated in light of the results of the PFS.

The PFS results show that the future Kalana operation could have a mine life of approximately 11 years, with an average production in excess of 200 koz/year for the first three years, reducing to 150 koz/year for the following four years, and reducing further to 100 koz/year for the last four years with average AISC over the LOM at U.S.$901/oz. This is based on current reserves of 1.8 million ounces. A news release detailing its findings was published on 23 February 2021 and a DFS is currently underway.

Applying a long-term gold price of U.S.$1,500/oz on a flat line basis from the commencement of production, the pre-tax NPV 5 per cent. is U.S.$498 million and the pre-tax internal rate of return ("**IRR**") is 59 per cent. The LOM average cash cost per ounce is U.S.$901, after deduction of the State royalty.

For further detail regarding the mining and mine plan, the metallurgy and processing plant and the infrastructure at Kalana, please see the "*Competent Person's Report*" set out in Annex I.

Afema, Burkina Faso

The Afema project is a joint venture located in southeastern Côte d'Ivoire at the intersection of two gold enriched Ghanaian greenstone belts. The joint venture is part of the Afema Mine licence.

We have recently made a new discovery along the Woulo Woulo structural trend. We have observed extensive gold mineralisation starting at the surface, with numerous good grade gold over substantial widths at the site. Our results-to-date suggest a large mineralised system in a unique geologic host worthy of adding a third shear zone and mineralising style for priority exploration. We are continuing to conduct geological and structural evaluations throughout the Afema Shear Zone and the prolific Niamienlessa and Woulo Woulo structural trends. An initial resource estimate at Afema is expected in Q3 2021.

Bantou, Burkina Faso

Bantou is a greenfield project located in Burkina Faso along the prolific Houndé Greenstone Belt that hosts both our Mana and Houndé mines and comprises six exploration permits. The Bantou project was acquired through our acquisition of SEMAFO. The Bantou gold zone is part of the Dynikongolo permit, which was transferred to SEMAFO in April 2013 through their acquisition of Orbis Gold.

The inferred resource comprises three main areas, with the majority of tonnes and ounces centred around the Bantou and the Bantou Nord Zones. The Bantou Nord Zone, discovered in 2019, is located 1.5 kilometres north of the Bantou Zone and totals 1.1 million ounces of pit-constrained inferred resources. In 2019, a total 96,669 metres were drilled at Bantou. Bantou Nord alone accounted for 15,031 meters of drilling, which was part of an effort to rapidly outline the extent of the mineralised zone and allow for a preliminary resource calculation. In 2021, we allocated a budget of U.S.$6 million to infill drill the Bantaou and Bantaou Nord Zones in order to convert inferred resources into indicated resources, as well as to test other nearby targets.

Golden Hill Project, Burkina Faso

The Golden Hill Project is located in southwestern Burkina Faso within the Houndé Greenstone Belt. It includes three exploration permits covering 468 square kilometres in close proximity and along strike to other deposits within the Houndé Belt. We added the Golden Hill Project to our portfolio through the acquisition of

Teranga. It is an advanced-stage exploration project, potentially within trucking distance from our Houndé Mine.

The Golden Hill project consists of three exploration permits covering 468 km^2 located in the south west of Burkina Faso. They are the Intiédougou permit (231.7 km^2) located in the Bougouriba, Ioba and Tuy provinces; the Baniri permit (144.7 km^2) located in the Tuy province; and the Mougué permit (91.6 km^2) located in the Bougouriba province. These permits have now expired, and a mining licence application has been submitted. Currently, given our recent acquisition of Golden Hill, the viability of processing ore from Golden Hill at the Houndé plant is being assessed. We are considering withdrawing our mining licence application and submitting an application to obtain a single exploration permit covering the global perimeter of the former Intiédougou, Baniri and Mougué permits in order to conduct additional exploration works.

The initial mineral resource was announced in early 2019 with an estimate of 6.40 Mt grading 2.02 g/t Au for 415,000 oz of indicated mineral resources and 11.95 Mt grading 1.68 g/t Au for 644,000 oz of inferred mineral resources. During the second half of 2019, a further U.S.$5 million programme was initiated consisting of 27,000-metre diamond core and reverse circulation drilling programme. In addition, an excavator-trenching programme was utilised to provide detailed structural and lithologic information at numerous anomalous trends in advance or concurrent with the drilling evaluation programme. As of 31 December 2019, a total of 171 diamond core and 44 reverse circulation holes comprising 18,520 metres of the drilling campaign had been completed. The remainder of the 27,000-metre drilling campaign was completed by 28 February 2020.

In 2020, exploration activities at the Golden Hill project were limited to Q1 and Q4, as the field exploration programme was suspended in Q2 and Q3 due to the impacts of the COVID-19 pandemic on travel and staff mobility. Although field activity programmes were limited during the year, an additional 27,150m, including 15,536m of diamond drill core holes and 11,614m of reverse circulation drill holes were completed. The majority of drilling was completed at various portions of the Ma Structural Complex, A-Zone, B-Zone and the Peksou/C-Zone deposits. In addition, soil sampling was undertaken over a number of target areas to further define mineralised structural trends, followed by excavator trenching prior to drilling. Physical, biological and social surveys are ongoing, and will form the basis for an ESIA.

The Golden Hill Project is considered particularly prospective, as it is located within the highly mineralised Houndé Greenstone Belt. This belt hosts the majority of the high-grade discovered gold ounces in Burkina Faso, including the recently discovered Siou deposit, as well as the high-grade Yaramoko deposit. The belt also hosts the Mana Mine and the Houndé deposit. The Golden Hill project straddles the same stratigraphy and structures that host these high-grade deposits.

Greenfield Nabanga, Burkina Faso

The Greenfield Nabanga Project is located in Burkina Faso 220 kilometres southeast of Ouagadougou. The Nabanga Project lies within the Nabanga exploration permit and was acquired through our acquisition of SEMAFO.

The preferred mining method at the project is open pit and underground mining on the upper and at depth portions of the ore zone, respectively. An updated mineral resource was published in 2018 which reported total inferred mineral resources of 3.4 Mt grading 7.69 g/t Au and containing 841,000 oz, which remains as the currently reported mineral resource for the Nabanga Project.

According to a PEA released on 30 September 2019, opportunities exist to improve returns through an increase in resources and additional cost saving measures. For the year ended 31 December 2020, we have not specified any specific exploration expenditure for the Nabanga Project.

Exploration

Our exploration portfolio is amongst the largest and most promising in West Africa. We have a strong foothold in two world-class belts: the Houndé Belt in Burkina Faso and the Ity Belt in Côte d'Ivoire.

Our approach to exploration is conservative and we use strategic prioritisation criteria as used for exploration in the oil and gas industry. We first implement a screening and ranking methodology when deciding which of our exploration targets to pursue. In 2016, when formulating our exploration plan, we first conducted exhaustive screening of over 200 potential targets, filtering out those that are not fit for further exploration. We then screened our best 130 remaining targets and used multi-criteria data analysis for each of them. From that analysis, we finally selected approximately 40 of the more significant targets and risk-probability weighted each selected target. We then risked the mean indicated resource per target and formulated a related exploration budget per target in order to determine the budget required for each to reach indicated resource level. From

those budgets, we prioritised those exploration sites that had the most potential. Altogether, at the end of 2016, we targeted to add between 10 to 15 Moz of indicated resources before the end of 2021.

In the last four years, our resultant exploration numbers were, in fact, better than predicted in our strategic plan. We added high quality resources to our portfolio at a very low average cost of discovery, with 85 per cent. of resources added at Measured or Indicated status since 2016. During this period, we discovered 8.5 million ounces of new indicated resources through our exploration efforts. Overall, our exploration results were better than those predicted in our portfolio analysis. Nearly all of our selected targets drilled to date have yielded successful discoveries.

The 2020 consolidated exploration spend was U.S.$65 million, inclusive of certain costs related to geotechnical studies, metallurgical testing and grade control drilling, notably at Kari Pump. A total of approximately 271,500 metres were drilled during 2020, with the majority conducted in H1-2020 ahead of the rainy season. The main areas of focus were Houndé and Ity near-mine exploration, aimed at extending their mine lives to beyond 10 years, and Fetekro with the aim of adding optionality to our project pipeline. In addition, the greenfield programme includes a 5,000-metre drilling campaign on the Tanda/Bondoukou property in Côte d'Ivoire, which has yielded positive results.

Following the acquisition of SEMAFO and Teranga, our total mining and exploration tenements now account for more than 17,600 km^2, located within the most prolific parts of the West African Birimian Greenstone Belts. It is our plan to conduct a new global and technical analysis of the exploration potential over this new perimeter and to issue a new strategic exploration plan for the next 5 years in Q3 2021, in order to replace the yearly reserve depletion with exploration and to accelerate our internal growth.

As part of our exploration priorities for 2021, we plan to have a strong focus on newly acquired assets, including the Massawa oxide deposits and the Wahgnion new targets. We also plan to focus on developing the Mana open pit and underground operations, as well as continuing the extension of the Houndé and Ity mine lives. Additionally with regards to our greenfield exploration, we are prioritising our Fetekro, Afema and Bantou projects. We are also focusing on Siguiri in Guinea and the Tanda/Boundoukou Cluster in Cote d'Ivoire. We are expecting to spend approximately U.S.$70 to U.S.$90 million in 2021 on exploration, depending on final budget allocations.

Discontinued Operations

Tabakoto Mine, Mali

The Tabakoto Mine is located in western Mali, approximately 360 km west of the capital, Bamako, and less than 20 km from the border of Senegal. We owned an 80 per cent. interest in the Tabakoto Mine through our Malian subsidiary, Segala Mining Corporation S.A. ("**SEMICO**"). The remaining 20 per cent. interest is held by the government of Mali. On 4 September 2018, we announced the sale of Tabakoto Mine to Algom Resources Limited, a subsidiary of BCM International LTD. The sale was completed on 24 December 2018, for a total sale price consideration of approximately U.S.$70 million, including U.S.$35 million received on the date of closing, a deferred cash consideration of U.S.$10 million in 2019 and a 10 per cent. net smelter royalty on the Dar Salaam deposit, capped at a maximum of 200,000 ounces of gold. As part of the transaction, we retained our greenfield exploration tenements located over 20km north of the Tabakoto processing plant.

Agbaou Mine, Côte d'Ivoire

The Agbaou Mine is located in Côte d'Ivoire, West Africa, approximately 200 km north-west of the port city of Abidjan. Travelling time between Abidjan and the Agbaou Mine is approximately three hours by car. We owned 85 per cent. of Agbaou Gold Operations S.A. and the remaining 15 per cent. is held by the government of Côte d'Ivoire (10 per cent.) and a state-controlled entity (5 per cent.) as a free-carried interest. On 22 January 2021, we announced the sale of the Agbaou Mine to Allied Gold Corp. We completed the sale on 2 March 2021 for consideration with an estimated fair value of U.S.$62.0 million.

Operations

Asset Operations

In order to operate our mines, we use both owner mining and contractor mining methods. We have a strong in-house construction team with an extensive track record of building mines in West Africa, safely, on-budget and on time.

We conduct our operations in line with the RGMPs, which we have adopted from the World Gold Council and are implementing across the group. The principles consist of an overarching framework that sets out clear expectations as to what constitutes responsible gold mining. The principles are designed to provide confidence to investors, supply chain participants, and investors that the gold we produce has been done so responsibly. Implementing the RGMPs requires us to publicly disclose our conformance to the principles and obtain external assurance on this conformance. Our adoption of these principles reflects our commitment to responsible mining.

Government Relations and Security

We manage government relations at both regional and country-specific levels. At the regional level, government relations and security are overseen by the EVP Public Affairs, CSR & Security who is based at our regional hub in Abidjan, Côte d'Ivoire. This facilitates easy interaction with host government representatives across the region and enables effective day-to-day control over the relevant teams covering those disciplines. At a national level, our country managers are our representatives in our individual host countries. They report to EVP Public Affairs and ensure that we are able to operate in West Africa by, for example, facilitating the permitting processes for our operations and reporting obligations that are tied to the relevant permits. At a regional level, we are focused on developing a sustainability strategy, reinforcing our reputation and our "social licence to operate" in West Africa by developing a security and CSR strategy to be implemented across all sites.

Security is a key focus for our company and we have developed a comprehensive security strategy to protect our workforce and our assets, which is in line with the Voluntary Principles Initiative and aims to minimise the risk of conflicts. We continually work to preserve the security of our workers and protect the continuity of our operations. Our key current objectives include, amongst others: transitioning on-site teams to a standard security team structure, standardising security protocols, and securing the mine environments and key access roads. In 2021, our top security objectives include enhancing the Boungou site in co-operation with national forces, in order to mitigate security threats from extremist groups and ensure long-term security in the near-mine area, improving security of exploration operations throughout Burkina Faso, and improving security measures at the Fetekro Project in Côte d'Ivoire. Our security structure comprises an SVP Security based in Abidjan who oversees a team of security managers at the individual country level, and a further layer of mine-site-based security managers, all of whom collaborate to develop efficient relationships and protocols with national armed forces and ensure security for our activities, both in the capital cities and around our assets. Our main focus currently is on enhancing security in Burkina Faso due to the increased threat of armed extremist groups. To achieve this, we have established a strong relationship with in-country armed forces, including the national army and the gendarmerie, French forces, as well as having a dedicated security detail that has been allocated to certain of our operations, based on specific site needs.

COVID-19 Impact

Led by the cross-functional COVID-19 Task Force we established in March 2020, our primary focus in responding to the COVID-19 pandemic is protecting the well-being of employees, contractors and local communities. As a part of our efforts, we have implemented a range of preventative measures across our sites, including social distancing, health screenings, augmented hygiene and restricted access to sites. We have established quarantine procedures and on-site isolation facilities, implemented individual site management controls and safety measures, and made adjustments to rotation schedules to reduce shift change overlap. Additionally, we have created supply chain contingency plans and implemented a ban on non-essential business travel. At our sites, we have initiated screening at entry points and have increased cleaning and disinfection. We have provided transparent, frequent and timely communications to ensure our workforce has been informed and supported throughout the COVID-19 pandemic.

We operate in close coordination with the national health authorities in the countries in which we operate and have developed an epidemiological surveillance system to assist host countries, including Côte d'Ivoire, Burkina Faso, Mali and Senegal, with monitoring and tracking of the pandemic. We have leveraged our global supply chain, health and safety systems, community relations and communications teams to provide financial, operational and logistical support to national and local health responses. Our existing infrastructure has allowed us to source and deliver key medical equipment and supplies to regional, community and on-site medical centres. We have implemented a range of community programmes including micro-credit programmes, which help to support people in host communities whose livelihoods have been impacted by the pandemic, as well funded e-learning platforms for three universities in Burkina Faso to facilitate distance education. In 2020, we

spent U.S.$6 million in COVID-19 support for our local communities, including salary donations from senior management and Board fees donations from directors and employees.

At the onset of the pandemic, we took key actions that allowed our operations to continue and ensured business continuity. Expatriates key to operations returned to site before international borders closed and shift rosters were modified. We also assessed our supply chain and noted that there were no critical supply gaps. We continue to monitor our supply chain closely for any potential disruptions due to the pandemic. Additionally, we conducted operational stress tests for different scenarios based on various escalations in order to formulate our response.

Despite the challenges that COVID-19 presents, our operations are continuing to operate at near-normal levels. We have created a business continuity plan to mitigate the risks and potential impact of the pandemic, with three levels of response to address a range of levels of COVID-19 risk. Level 1 involves a range of preventative measures including temperature checks, restricted access to sites, social distancing, increased hygiene standards and mandatory quarantine periods for employees arriving in-country, while otherwise continuing operations as normal. Level 2 is designed to be initiated should COVID-19 become more prevalent in the countries in which we operate and involves comprehensive restrictions on movement into and out of the mines. Under these circumstances, our mines would be isolated, but mining operations and shipment of gold would continue. Finally, Level 3 involves the full or partial suspension of mining and processing operations. Currently, we are operating in a Level 1 environment and have been so throughout the pandemic.

Employees in a role that enabled them to work from home were asked to do so, and our cloud-based strategy ensured that our employees working from home could access all the relevant applications, systems and collaboration tools that they needed to perform their duties. Additionally, our cyber security response was updated and is constantly tracked in light of the increased cyber security risk generally observed during the COVID-19 pandemic.

Operational Matrix

Before embarking on our strategy to grow through acquisitions, we had a standalone mine portfolio with two mines in Burkina Faso and two mines in Côte d'Ivoire. We had localised support functions in each mine. In 2018, we created our Technical Services support function and opened our regional office in Abidjan, implementing the first matrix organisation principles. The matrix organisation we have established will ensure collaboration across the group. To build this organisation, we have strengthened operations and exploration with expertise in both Abidjan and London. We have established mutualised support functions, deploying an integrated information system that will promote standardisation of control and reporting. We have encouraged the sharing of best practices across the organisation and have established an environment of increased transparency. We promote the sharing of information between Operations and Exploration teams and our support functions. Our support functions are designed to ensure full legal and regulatory compliance

Following the acquisitions of SEMAFO and Teranga, we have reached a scale that will allow us to reinforce the matrix organisation, ensuring support function efficiency and operational team focus. The matrix organisation we have created will be supported by integrated processes and we will have the control to enable site performance and compliance. We established the general managers of each asset as core members of our organisational model. The general managers have the responsibility for managing all aspects of the site's operations and we have empowered them to prepare and execute operations plans and budgets, while being supported by our group-wide guidelines and support functions.

Sales

Our gold production for our mines is shipped in doré form to METALOR, except for Wahgnion, which is sent to ARGOR. Both refineries are LBMA-approved in Switzerland. Gold shipments are secured from the gold room door by BRINKS, at which point the risk transfers to the refinery. Upon completion of the refining process, generally eight to fourteen days after leaving the gold room door, the fine gold is transferred into each mine's stand-alone fine metal accounts ("**FMA**") at METALOR and ARGOR. At this point, we generally price the fine gold with a third party offtaker, such as StoneX or HSBC, and sell 100 per cent. of the gold based upon the final assay results. The same day as the gold is priced, once they have confirmed the fine gold metal transfer, payment is made by the offtaker in either EUR or USD into the mine's locally registered bank accounts. For those shipments made but for which the refining process is not complete, if the forward price exceeds the 30-day trailing average price of gold, we may enter into a forward contract to sell the gold at that price upon completion of the refining process. The forward contracts cover the period until the shipped gold becomes available in the mine's FMA. These agreements are only entered into for gold shipments within the

quarter. The gold is physically transferred as settlement of the forward contract, and the sales are recognised at the agreed-upon price upon completion of the refining process.

For some shipments at the end of each quarter, we can enter into an agreement with METALOR to sell the gold shipment when the doré is secured at the gold room door by BRINKS. For these advance sales, METALOR will charge us a two per cent. p.a. leasing charge based on 97 per cent. of the fine gold content of the doré shipped. METALOR will transfer the estimated fine gold ounces of the shipment to the chosen entity's bullion account for same-day value. Ounces are priced, and same-day payment is made into the appropriate mine's locally registered bank account. Upon completion of the shipping and refining process, our assay results and METALOR's assay results are compared. A true up of the fine gold content between the advanced ounces and the total shipment is used to settle the lease arrangement. The remaining three per cent are then adjusted for any assay differences and then priced and sold.

For all gold shipments, METALOR directly invoices the mine site for all associated costs relating to the shipment and refining process.

IT

We have implemented IT infrastructure across the Company to ensure consistency and uniformity, security, performance and availability for the business. We have built the structure in an innovative way, providing high-quality IT solutions while keeping IT costs under control. We maintain state-of-the-art IT security standards and ensure compliance with internal policies, selected industry standards, and external laws and regulations. Since 2016 we have used the Control Objectives for Information and Related Technologies ("**COBIT**") Framework to develop, organise and implement strategies around information management and governance. All our critical business applications are cloud based, allowing our systems to be accessible to our employees from any location, on any device, and at any time, a feature that has been invaluable during the COVID-19 pandemic. When the COVID-19 lockdown started, we were 95 per cent. prepared to ensure collaboration for all employees that were impacted and to support working from home. Additionally, many of our operations locations are remote, so it is critical for business continuity to ensure that we maintain network connectivity for our employees for them to execute their work tasks and to communicate with their friends and family. To ensure connectivity, we utilise microwave connectivity with a backup link at all our sites.

To protect against cybersecurity threats, our system contains multiple security layers. Our layers of protection start with the first layer, which consists of cloud-based protection for internet browsing. Our second layer is a protected firewall which performs content filtering intrusion detection and prevention at each of our mining sites and our corporate offices and our third layer is antivirus/antimalware protection done at the end-user-site.

Insurance

We maintain insurance (both in terms of coverage and limits) commensurate for a business of our nature and size operating within the mining sector, including property and business interruption coverage (covering existing mine areas, mobile equipment and fixed charges), motor vehicle coverage, commercial general liability, public umbrella liability (covering death, injury or property damage) and workers' compensation. We have also implemented directors' and officers' liability insurance at the Company level.

Due to the COVID-19 pandemic, we have seen a material movement in capacity and liquidity in the insurance market, with less liquidity and less appetite to underwrite insurable risk. Notably, we have seen premium movement associated with D&O insurance coverage, experiencing a more than four-fold increase in comparison to the previous year. D&O insurance is now being deemed more important than ever and the marketplace is severely disrupted due to the COVID-19 pandemic. Following the acquisition, the SEMAFO D&O cover has been placed into a six year run off. We have no D&O claims to date.

Over the past five years as our business has grown, we have substantially increased our total insurance. The renewal of our insurance for the year ended 31 December 2021 included adding two new mines, Boungou and Mana, following the acquisition of SEMAFO. A key challenge to the insurance renewal at the end of 2020 was associated with the TSF and underground coverage at the Mana mine, which will be addressed by the operational team during 2021. The challenges we experienced in our insurance renewal forced us to self-insure the underground infrastructure.

For the year ended 31 December 2021, we have property damage and business interruption insurance in place, covering surface and machinery breakdown and interruption. All sites, with the exception of Karma Mine, have business interruption insurance associated to standing charges only, with a 30 day deductible. For a potential

tailings dam failure, we have coverage in our policy for all sites, with Mana and Boungou carrying a lower sub-limit.

We have coverage for commercial and general liability, which covers losses incurred by the mine outside of the boundary fence of the mine. In terms of gold bullion, we have insurance that covers all gold contents in the gold room and processing plant. The limits are set by mine site, based on current business process and shipping cycles.

We have increased our aviation hull, liability and war coverage to include coverage for four aircrafts. We have aircraft hull and legal liability coverage, with a combined single limit liability for any one-time event. We have had no claim to date. We also have special risk insurance in place which covers kidnap and ransom, business interruption, and cyber extortion.

We do not insure against all potential losses, liabilities and damage related to our business, either because we believe the insurance is not necessary, or we are unable to obtain insurance on commercially satisfactory terms or at all.

Compliance

In all jurisdictions where we operate, specific statutory and regulatory requirements and standards must be met throughout the exploration, development and operations stages of our mining properties with regard to, among other things, air quality, noise, water quality, solid and hazardous waste management and disposal, land use and reclamation. These laws and regulations are continually changing and are generally becoming more restrictive. We believe our operations are materially in compliance with all applicable laws and regulations. Furthermore, under the Facilities, we are required to comply with applicable environmental laws, as well as environmental and social performance standards set by the IFC, environmental, health and safety guidelines published by the World Bank, and the International Cyanide Management Code published by the International Cyanide Management Institute. We have made, and expect to continue to make in the future, expenditures to comply with other environmental and health and safety-related laws and regulations.

As a part of our group structure, we have a dedicated compliance function, focusing on both day-to-day monitoring and key annual tasks. To support compliance with our policies, business principles and values, we have a 24/7 whistle-blower hotline, monitored by an independent third party, which employees and stakeholders can use to report any breaches or illegal activity. This is overseen by our Audit Committee. The Audit Committee receives quarterly updates on any new whistle-blower reports and the Chair of the Board receives these reports. When a report is filed with sufficient detail that will enable further investigation, the claims are elevated to our internal audit team or our human resources team. In 2020 we had zero reported cases of bribery and zero substantiated whistle-blower reports.

We have political engagement guidelines in place as part of our group Anti-Bribery and Anti-Corruption Policy. According to these guidelines, we do not make any contributions or provide financial support, directly or indirectly, to political parties or candidates in any of the countries in which we operate. We do not support or fund any trade or industry association that does not recognise the risks posed by climate change and our membership of any trade or industry association is conditioned upon their lobbying activities complying with relevant laws, regulations and international norms.

Employees

As at 31 March 2021, we had 7,752 employees. The table below sets forth the total number of employees by function as at 31 March 2021:

	As at 31 March 2021
Offices and Corporate	298
Exploration and Projects	850
Operations	
Burkina Faso	4,103
Cote d'Ivoire	1,631
Senegal	1,621
Total Operations	6,604
Total Employees	7,752

Under the laws of Burkina Faso, Côte d'Ivoire, Mali and Senegal, we are subject to certain collective bargaining rules in dealings with our employees. Although we are committed to cultivating positive relations with our workforce, we may experience labour disruptions from time to time as the result of employees who engage in concerted strikes or other work stoppages. We may also face similar challenges from, or disputes with, the employees of the third-party service contractors we regularly employ to conduct operations. In 2020, we did not have any strikes at our operations.

In order to address this risk of labour disruptions, we hold regular negotiations and discussions with unions in order to build an environment of trust and co-operation and ultimately foster a strike-less environment. Our employees elect representatives with whom we have these discussions and negotiations on a regular basis, so that we may respond as necessary. In order to maintain a constructive and open relationship with our employees, we organise talent competitions and sporting events, which fuels healthy competitions and supports engagement.

To recruit and retain highly skilled and experienced workers, we offer attractive terms of employment with competitive remuneration and career development opportunities. Remuneration is gender neutral, determined by expertise, experience and performance and is regularly reviewed against our peers in the industry. Our Endeavour Rewards Programme recognises performance and all of our employees' remuneration packages have a performance-related bonus component against which they are measured quarterly and annually. The bonus is dependent on the achievement of a set of key performance indicators, which change annually, but always include production, costs and ESG indicators. Additionally, to ensure that all our employees are well cared for, we have implemented the Endeavour Care Programme, which includes life and healthcare insurance for all employees.

Diversity and Inclusion

We are an equal opportunity employer and it is our goal to develop a workforce whose diversity reflects that of the host communities in which we operate. We are committed to equal pay and our remuneration is gender neutral.

We actively promote gender equality and empower our female talent with the objective of accelerating individual and collective sustainable development. The employment of women in operational and technical roles in the mining sector in West Africa is relatively new and despite the increase in the number of women employed in West African mines, the percentage is still low compared to other jurisdictions, predominantly due to a combination of historical perceptions of the mining industry as well as cultural traditions.

In 2020, we successfully increased our female representation by 38 per cent. to 11 per cent. at our legacy Endeavour assets. This was one of our public targets, as well as a group-wide short-term incentive target.

To encourage women to apply for jobs in fields not traditionally seen as female occupations, we have Women in Mining programmes at our mine sites. To support this and further embed diversity within our business, in 2020 we also took steps to create a formal Women in Mining Committee to oversee our activities by engaging with internal stakeholders and identifying key representatives to be involved with the Committee. We launched the Committee in Q2 2021. In 2021, we are focused on increasing the number of women in technical and leadership roles. In March 2021, we signed up to the Women's Empowerment Principles, which are a set of principles established by UN Global Compact and UN Women offering guidance to businesses on how to promote gender equality and women's empowerment in the workplace, marketplace and community.

Growing Local Talent

We have established reward programmes to reward our employees for their efforts, providing additional benefits for those who go above and beyond. We also provide employees and future talents with opportunities to develop their skills. It is our goal to promote and grow local talent and ensure skills transfer between our expatriate and local workers, so eventually local workers can occupy more key positions within our operations. In 2018, we launched our Endeavour Academy to promote and give visibility to our skills transfer and technical and managerial training programmes. The focus of the programme is to build the capabilities of local employees in key areas such as geology, engineering, mining and processing. We also have our Growing Local Talent initiative, whereby our supervisors and managers continuously assess our workforce to identify skills and leadership development potential, so we can enhance training opportunities and promote internally wherever possible. Through our Endeavour Next Programme, we identify current and future leaders to ensure that they have the opportunity to excel. We facilitate networking and talent circulations across all sites and offices. We have a yearly deep dive into succession planning and have required training programmes for those who have been identified as those who will take on more important roles in the future. We promote the skill development

of not just our current employees, but future employees, particularly local talents in the communities with whom we work. We have established a Young Talent Programme which provides bursaries for students that show particular promise. We also have signed partnerships with universities that allow students the opportunity to gain work experience at our company.

Additionally, we are working to implement a strategy that addresses management succession planning across key roles, as well as individual aspirations and capacities of our employees. In 2020, we worked on strategy and content creation for this initiative. We postponed the launch of this programme to 2021 to extend it to our newly acquired assets.

Health and Safety, Environment and Our Communities

Our Approach

We are committed to being a responsible miner, building and maintaining meaningful and mutually beneficial long-term partnerships with key stakeholders, including our local communities, host countries and our investors.

We identify our most material sustainability issues annually and use leading management practices to manage the risks and opportunities associated with each issue. This approach is applied throughout the five stages of a mine's life cycle, from exploration to production and ultimately, closure.

The bedrock of our approach and commitment to sustainability governance is captured in a set of globally applicable sustainability related policies, that are informed by and aspire to international best practice. These policies are supported by governance bodies, systems and standards, metrics and targets to drive performance and transparent reporting on progress.

We combine corporate oversight, with the Board having ultimate responsibility, with site-level leadership and embed sustainability targets in our short- and long-term compensation schemes. For example, in 2020 our short-term incentive scheme included a diversity target of 10 per cent. female representation, a 25 per cent. increase over 2019. In 2021, the long-term incentive scheme includes a 12.5 per cent. weighting for the implementation of a Carbon Reduction Strategy and the commissioning of at least one significant renewable energy plant by the end of 2023.

We have a management-level ESG Committee, headed by key sector specialists in our leadership team, which meets monthly and reports to the Board-level ESG Committee at least four times a year. The Board-level ESG Committee is responsible for developing and implementing our ESG Strategy and public targets, monitoring our ESG performance on a monthly basis, ensuring compliance with our sustainability and ESG policies and identifying opportunities to improve performance.

We set out a number of public targets which we report on annually. For 2020, across our five ESG pillars (ethical business, health & safety, our employees, our communities and our environment), 90 per cent. of our targets were fully or partially achieved.

Additionally, we analysed gaps in external reporting, policies and company actions to improve our performance with rating agencies, alongside proactive engagement, which resulted in improved ratings across the main agencies during 2020.

Ethical Business

We are committed to doing business in an ethical manner. The Board regularly monitors and seeks to improve our corporate governance practices through evaluation of regulatory developments with respect to corporate governance and the transparency of public company disclosure. We have in place relevant policies and standards, including our Business Conduct and Ethics Policy, which are at the foundation of our internal governance. They provide clear guidance on the behaviours employees, and those engaged in activities on our behalf, must demonstrate at all times in their dealings with stakeholders. This includes behaving ethically, acting with integrity and transparency, respecting human rights and complying with applicable laws and regulations.

The Board monitors compliance with our policies and, along with our compliance team, reviews our policies annually and benchmarks them against international best practices in the mining industry. To bolster our compliance programme, we have an anonymous, independent, third-party whistleblowing system in place and we conduct annual mandatory anti-bribery and anti-corruption, and human rights training for key employees in sensitive positions, with a follow-on annual compliance certification process. We also issue a UK Modern

Slavery Statement annually, explaining the steps we have taken to minimise the risk of modern slavery and human trafficking taking place in our business and supply chain, having issued our first such statement in 2019.

In 2020 we had zero reported cases of bribery and zero substantiated whistle-blower reports. In 2021 we will be reviewing, and augmenting where appropriate, our policies to meet or exceed the UK LSE standards and are commencing the process to become members of the Voluntary Principles Initiative.

Reporting Frameworks

We report on our ESG performance annually against three publicly recognised ESG frameworks; the TCFD, the SASB and the GRI. For 2020, we received our first external assurance on a number of key metrics across the SASB and GRI frameworks.

In addition, as a member of the World Gold Council ("**WGC**"), we have pledged to implement the WGC's comprehensive ESG reporting framework, known as the RGMPs, within the allocated timeframe. For 2020, we received external assurance for seven of the principles.

We have embedded the United Nations Sustainable Development Goals ("**UN SDGs**") in our ESG strategy. The UN SDGs are 17 goals adopted by all UN member states in 2015. They combine the fight against poverty and inequalities with health and education improvement and environmental protection. We are targeting to become a member of the UN Global Compact in 2021.

We began participating in Carbon Disclosure Project's ("**CDP**") annual climate change questionnaire in 2019. In 2020, we scored a C in both the Climate Change and Water questionnaires and will continue to work proactively to improve our score.

Additionally, the International Cyanide Management Code ("**ICMC**") is a voluntary industry programme for companies involved in the production of gold by the cyanidation process. The ICMC addresses, among other things, the production of cyanide, its transport from the producer to the mine, its on-site storage and use, and decommissioning. In 2020, we completed an ICMC compliance audit (remotely) at all six of our mines (Agbaou, Boungou, Houndé, Ity, Karma and Mana). No items of material concern were identified.

Health and Safety

Guided by our 'Zero Harm' ambition, we emphasise employee and affected stakeholders' health and safety and put the highest priority on safe, healthy and environmentally sound work practices and systems, underpinned by our safety and health policy, our Ten Golden Rules and our values. Our short-term annual employee compensation scheme includes a company-wide safety metric to reinforce this priority and commitment.

We have established a strong safety track record over the past three years. While regrettably we have reported one fatality during this period, we did not have a single lost time injury during the construction of our two most recent projects, the Houndé mine and the Ity CIL Project, and the Group's lost time injury frequency rate ("**LTIFR**") is industry-leading, with LTIFR of 0.12 per million hours worked for 2020, 0.10 in 2019 and 0.18 in 2018. We believe our LTIFR statistics demonstrate our commitment to a culture of "safety first" within the Group. Additionally in 2020, we recorded a 10 per cent. reduction our Total Recordable Injury Frequency Rate ("**TRIFR**").

We have a major malaria prevention campaign underway in order to combat malaria outbreaks at our mines and in local communities. To combat malaria at our sites and in the communities near our mines, we distribute insecticide impregnated mosquito nets and reduce the amount of on-site stagnant water, which is a breeding ground for mosquitos. We also engage in indoor residual spraying inside homes and dwellings in our communities, working with epidemiology consultants to understand which chemicals will be most effective to spray at each site. To further the effectiveness of this spraying, we train staff to ensure correct chemical spraying techniques are used and are expanding the areas that we spray.

In 2020, we achieved a 19 per cent. reduction in malaria cases, resulting in a 36 per cent. reduction in our group-level malaria incidence rate. While we recorded 3,338 cases of malaria across our operations in 2020, at our legacy mines the number of malaria cases almost halved compared to 2019. Our efforts particularly paid off at Houndé, where cases decreased by 67 per cent. from 552 in 2019 to 183 in 2020 and by 80 per cent. from 2018 to 2020.

In 2021, as part of our continued efforts to tackle malaria, it will be part of the group-wide annual safety target that forms part of the remuneration package for our employees and executives and we are targeting a further 10 per cent. reduction in malaria cases.

Environmental Stewardship

Our approach to environmental management, as with our wider business principles, is based on a 'Zero Harm' philosophy. This philosophy underpins our Environmental Policy, which is implemented on the ground through Group-level Environmental Management Standards and site-specific Environmental Monitoring Plans. The management of our environmental impacts are embedded into our activities throughout the mine life cycle.

Asset Closure

Land reclamation requirements are generally imposed on mining companies to minimise the long-term effects of land disturbance, and we are subject to such requirements at our assets. Reclamation may include requirements to treat ground and surface water to an acceptable standard, control dispersion of potentially deleterious effluent and reasonably re-establish pre-disturbance landforms and vegetation and address impacts on biodiversity. Reclamation legislation in the jurisdictions in which we operate requires us to maintain certain funding accounts, restricted cash and bonding arrangements.

Our responsibility to our host communities and countries is to minimise our environmental impacts and anticipate the successful social closure of our mines. We aim to restore the land we have occupied to an economically usable state and ensure that local water quantity and quality are safeguarded for future generations.

In 2020, we revised our Group Mine Closure Standard, which sets out a standardised process for mine rehabilitation. Closure plans for our sites are integrated from the beginning during the permitting process and constantly revised and enhanced through the mine life cycle. All of our legacy sites have closure plans which are regularly reviewed and updated. Additionally, progressive restoration of disturbed areas helps contribute to a reduction in our financial liabilities with respect to asset closures. We engage in topsoil placement, erosion control and revegetation with indigenous species. We also consider the impact of climate change in our selection of species. We have made, and expect to continue to make in the future, financial provisions as part of our compliance with environmental laws and regulations relating to our assets following cessation of our operations.

Our total liability for reclamation and closure cost obligation, as at 31 December 2020, was approximately U.S.$89 million and Teranga's corresponding liability was approximately U.S.$56 million. In Burkina Faso and Côte d'Ivoire, the regulatory authorities require security to be provided to cover the estimated rehabilitation provisions. As at 31 December 2020, total restricted cash held for this purpose was approximately U.S.$26 million, which increased from U.S.$10 million held as at 31 December 2019. The total restricted cash as at 31 December 2020 met regulatory requirements. The majority of rehabilitation expenses are expected to occur between 2022 and 2037.

Climate Change and Reducing Emissions

Energy is a critical input for mining operators and a major source of our GHG emissions. Working to improve our operations' efficiency, reduce our emissions and lower our emissions are key drivers for the long-term sustainability of our business. Accountability for our response to climate change is regarded as a site, management and board-level issue. Our board level ESG and management level ESG committees assess the climate-related risks and opportunities that affect our business. The Board reviews our climate-related risks once a year. Our Vice President of Health, Safety and Environment is a member of the ESG Committee and is responsible for climate-related issues at a management level and ensuring that the relevant annual plans, targets, and initiatives are implemented at site. Climate issues are monitored by the Health, Safety and Environment department, both at a corporate level as well as at each mine site and data is collected monthly. We are currently developing a process to embed climate risks into business strategy and decision-making.

Additionally, we are working to develop an Emissions Reduction Target, informed by climate science, and to identify pathways to achievement of this target. As a first step to developing a group climate strategy, we implemented a group greenhouse gas emissions reduction plan. We will continue to progress this initiative in 2021. We monitor our GHG emissions and energy consumption, as well as energy intensity and GHG emission intensity across all sites, on which we have been publicly reporting since 2017.

We have identified a number of levers to support reductions in our greenhouse gas emissions, including ways to reduce the emissions from our mining equipment, such as use of cleaner fuels, optimisation of our fleet use, more efficient engines and ways to reduce emissions from electricity, including cleaner generators and investment in renewable energy, all complemented by the use of carbon offsets.

In 2020, we conducted a review of both our current mine closure plans and our renewable energy opportunities at our operations. Through our review, we have identified solar opportunities at both our Houndé Mine and the Fetekro Project, which we plan to address in 2021.

Alongside our substantive action on climate change and reducing emissions, we also began reporting in line with the requirements of the Task Force on Climate-related Financial Disclosures ("**TCFD**") in 2020. We plan to further align with TCFD (and SASB) in 2021.

We also monitor climate-related regulatory and policy changes in our host countries. Notifications of changes in legislation and regulations are regularly received from the official gazette subscription service of both the Ivorian and Burkinabe governments and disseminated across the business.

In the year ended 31 December 2020, adjusted for our disposal of Agbaou and acquisition of Teranga, our energy intensity was 7.07 GJ/ounce of gold produced and our GHG emission intensity was 501 kilograms of CO2-e/ounce of gold produced, both of which compare favourably to global benchmarks for the gold industry. Our total energy consumption for 2020 was 10GJ.

In the year ended December 2020, adjusted for our disposal of Agbaou and acquisition of Teranga, our Scope 1 emissions, from managed operations including mines, processing and power, were 660kTCO2e, or 92 per cent. of Scope 1 and 2 emissions. Our Scope 2 emissions, from third party facilities that supply electricity, were 79 kTCO2e, or 8 per cent. of Scope 1 and 2 emissions. Our Scope 3 emissions from suppliers, third party transport and use of products by customers was 3 kTO2e.

Water

We are also focused on water management, and monitor our water consumption intensity. Water is an essential input into mining processes. It is also a shared and vital resource, and access to clean water is a fundamental human right. Our water stewardship strategy aims to ensure we have enough water for our operations, while at the same time protecting the quality and quantity of water available to our host communities.

Our commitment to responsible water management is set out in our group Environment Policy. We are committed to constantly improving our water management systems and their efficiency, and monitoring our usage of water resources in our areas of operation.

We also understand the role that a changing climate plays in heightening water risks and the potential impact on our licence to operate. We assess and identify water risks as part of an enterprise risk management framework. Our mines are located across a range of geographies and climate zones. All sites have exposure to different, but potentially significant water risks, and how we manage these risks is informed by the site-specific operating context. Three of our seven mines, including Sabodala-Massawa, Houndé and Mana, are located in areas of baseline water stress.

In 2020, we revised our water accounting and reporting methodology to better align with industry best practices. In 2020, our water reuse and recycling rate was 48 per cent., a slight increase from 43 per cent. in 2019. Additionally, our withdrawal intensity remained stable in 2020, representing an 8 per cent. decrease. Following the acquisition of the SEMAFO assets, our water management effort focused on understanding our expanded water footprint and profile. This will continue in 2021 with the integration of the former Teranga assets into our portfolio. Once we understand our new baseline and water footprint, we will work to set group-wide water reuse and recycling targets.

Tailings Management

We are committed to responsible tailings management. We are fully aware of the potentially significant risks linked to operating TSFs, and our approach to tailings management is set out in our Tailings and Heap Leach Standard, which defines our commitment to high standards of safety in the design, construction, management and decommissioning of TSFs. All of our TSFs are designed by third parties who take on the role of Engineer of Record for the initial construction and ongoing embankment raises in accordance with the Global Industry Standard on Tailings Management (August 2020). We monitor our TSFs daily to ensure that they are operated in accordance with the design intent and report quarterly on our TSF management to our COO and the Technical Committee of the Board. Monitoring data is collected at least on a monthly basis to determine potential changes to wall stability and potential changes to water quality around the TSF. Annual auditing of our TSFs is conducted by the Engineer of Record.

All but two of our TSF designs conform to the recently updated Australian National Committee on Large Dams ("**ANCOLD**", 2019) Guidelines and national guidelines. The non-conforming TSFs at Mana and Sabodala-

Massawa are currently undergoing embankment raises with buttressing and other remedial actions so that they can conform with the ANCOLD 2019 Guidelines. This work will be completed in Q2 2021.

We update our tailings facility public disclosure statements on our website annually. We regularly evaluate the consequences of TSF failure to human health and ecosystems according to the classification systems of the ANCOLD or Canadian Dam Association. The TSFs at our Houndé, Wahgnion and Ity mines are also monitored and the freeboard closely managed to allow for possible high rainfall events. Additionally, how we close our TSFs is just as important as how we operate them, and each TSF has a closure plan to ensure ongoing stability and to reduce any impacts on the people, environment and surrounding communities.

Waste Management

In addition to tailings, other hazardous waste from our operations includes fluorescent lights, waste oils, solvents, laboratory and assay wastes and some electronic waste. Though the total amount of this additional hazardous waste is relatively small, we strive to recycle and reuse to the extent possible and follow best practices and country legislation for disposal. In accordance with the Basel Convention, we do not transport, export, import, treat or internationally ship any hazardous waste.

Alongside tailings and hazardous waste, our mines all generate significant volumes of general waste. Our approach to waste management is underpinned by three goals, which are minimising the amount of waste we produce, maximising the proportion of waste we reuse or recycle and safely disposing of any waste that cannot be reused or recycled in accordance with the highest standards of safety.

Our largest waste product by volume is waste rock from mining and overburden, which are sent to carefully engineered waste rock dumps. Other non-hazardous wastes we produce include general and organic wastes from administration buildings, kitchens, and on-site accommodations, as well as scrap metals, wood and used tires. We seek to reuse or recycle as much as possible before sending to landfill or incineration. Recycling on site is done whenever possible. Our greatest challenge remains the lack of national infrastructure for recycling in the jurisdictions in which we operate.

Operating in remote areas means we rely on single-use plastic and packaging for many essential items. However, we are working to eliminate single-use plastic drinking bottles at our sites and offices. In 2020, we significantly improved our reuse and recycling of non-hazardous waste, with a 65 per cent. increase in reuse and a 68 per cent. increase in recycling.

Air Quality and Dust

Minimising dust is a constant challenge in mining, particularly in West Africa in the dry season when the Harmattan winds blow dust from the Sahara. Dust is generated on site through a variety of activities including drilling, blasting, crushing and the constant movement of heavy vehicles. Dust from these processes includes particulate matter (e.g., fine and coarse dust that can include minerals and metals) and gases.

We monitor air quality on and near our sites via a network of dust monitoring stations and control points. Monitoring stations are checked weekly and we aim to ensure airborne particulate levels remain within permitted limits. One of the most significant sources of dust is vehicles moving around the mine. To minimise this, we have implemented reduced speed limits and use water trucks to spray water on high-use roads. A number of these water trucks are community owned and operated, which facilitates a prompt response and further supports our host communities. We also plant vegetation in exposed areas and on waste dumps, and conduct speed awareness in the community to further limit dust generated by vehicles. In 2021, we will look to expand upon and further improve our air quality monitoring.

Biodiversity

Our aim is to minimise and, where possible, eliminate, our negative biodiversity impacts by the end of a mine's life. Where we cannot in every case eliminate negative impacts, we aim to mitigate our impacts through reforestation and other biodiversity offset programmes. We do not conduct exploration or mining activities on World Heritage sites and strive not to impact the habitats of endangered, protected or IUCN red list species. We undertake baseline biodiversity studies as part of the ESIA process at the feasibility stage of any project or material expansion. These baseline studies consider and document the full spectrum of flora and fauna.

We also engage in concurrent rehabilitation. By progressively restoring and rehabilitating sites throughout a mine's life, we are able to restore the environment faster, which in turn helps to minimise any biodiversity impact or loss and helps to reduce our long-term closure costs.

Our Communities

Our "social licence to operate" encompasses our community engagement and social investment. It is dynamic and we must continually work with the local communities and stakeholders over the life cycle of a mining asset in order to build and maintain trust to ensure that the commitments made are both attainable and delivered. We see ourselves as an integral part of the communities in which we operate, as well as a responsible development partner. Our sustainability and social responsibility programmes are evolving as we continue grow and mature.

We have four main objectives: (i) consolidating our social licence to operate, (ii) strengthening our corporate citizenship involvement in our host countries, (iii) increasing the impact of our commitment, and (iv) improving the visibility of the actions carried out by all of our operations.

Community Engagement

We are committed to building and maintaining strong relationships in a transparent manner. These relationships are underpinned by open and constructive dialogue with our communities, host governments, NGOs and other local and national stakeholders across all stages of our mines' life cycle. Our community engagement, guided by our Group Stakeholder Engagement Procedure, begins with setting local stakeholder expectations from the early stage of exploration and development when early impressions are first made on local stakeholders, rather than waiting until long-term construction decisions have been made.

We map our stakeholders for each of our assets and have stakeholder engagement plans in place at all our mines, except Boungou and Mana (previously SEMAFO assets), which will be done in 2021. We have dedicated teams at each of our mines responsible for managing our local community engagement, all of which are staffed by locals and nationals familiar with our host communities. An important part of our stakeholder engagement is our community grievance mechanism, which is in place at all our mines. This helps us to understand our impacts on our local communities and address any issues before they escalate.

Human Rights

We aim to respect the human rights of all of our stakeholders and our practices are in line with International Bill of Human Rights and the International Labour Organization's fundamental principles. We seek to ensure that we do not cause, and are not complicit in, human rights abuses either directly through our activities or through our business relationships. Our commitment to human rights is set out in our Human Rights Policy, which is reviewed and updated annually. We report on human rights grievances to the Board as part of our quarterly whistleblower reporting.

We identify potential human rights impacts through a variety of methods including environmental and social impact assessments, health and safety risk assessments, supplier due diligence, community and employee grievance mechanisms and the corporate whistleblower mechanism, security risk assessments, and general stakeholder engagement processes.

We have embedded our human rights commitments across other relevant polices and standards, including our Anti-Bribery and Anti-Corruption Policy, Business Conduct and Ethics Policy, Diversity Policy, Harassment Prevention Policy, Safety and Health Policy, Environmental Policy, Supplier Code of Conduct and Whistleblower Policy.

In 2020, we augmented the Human Rights Policy to reflect our commitment to align with the United Nations Guiding Principles on Business and Human Rights. The updated policy was approved by the Board in March 2021.

Training is essential for ensuring our employees are aware of our commitments and their obligations to respect human rights. In 2020, we trained 149 executives, managers and employees in sensitive positions on our commitments and policies in respect of business and human rights and what that means in practice for them and the business.

We aim to align with the Voluntary Principles on Security and Human Rights ("**VPSHR**"), with 81 per cent. of our employees receiving training on the VPSHR in 2020.

Grievances

We have a community grievance mechanism in place at all our mines to enable communities to formally lodge complaints. This helps us to understand and address any community concerns before they escalate. Complaints are lodged either in person at our mines, via our Community Relations Liaison Officers or by email. Our procedure is to record the number of grievances by category and by village and/or town, conduct the required

investigations, take corrective actions as necessary and provide feedback to those concerned. We aim to resolve each one in a timely manner. We report monthly on grievances to the Executive Management Committee and annually in our sustainability report.

Compensation and Resettlement

The development or expansion of a mine sometimes necessitates the relocation of local communities and people. Our policy is to avoid the resettlement of communities or people as far as practicably possible, in line with the International Finance Corporation (IFC) Performance Standard 5.

Where resettlement is necessary, our aim is to ensure living conditions and livelihoods are at least restored, if not improved. Our approach is centred around putting the impacted people and community at the heart of the process. We engage with affected parties early on to assess and mitigate the potential impact and ensure they are able to make informed decisions at every stage of the resettlement process, supported by the local authorities and leaders who provide guidance and advice.

We work with impacted parties and local stakeholders to develop a Resettlement Action Plan for each location, which is drafted by external experts in line with both our own Resettlement and Compensation guidelines as well as the IFC Performance Standards. The Resettlement Action Plan is accompanied by a Livelihood Restoration Programme.

We provide affected persons with security of tenure to their new homes, a concept which is still in its infancy in West African countries, and upgraded living conditions and community infrastructure, for example solar powered street lighting, new supplies of drinking water, educational facilities, community centres, mosques and churches. Where possible, we work to amplify and share the positive impact associated and use local workers, businesses and suppliers to build the resettlement houses and community facilities.

In 2020, we commenced a resettlement at our Houndé mine of 694 people located on the Kari Pump deposit, which will be completed in Q1 2021. The new houses include electricity and the owners will be provided with security of tenure.

ASM

Artisanal and small-scale mining ("**ASM**") activities range from simple methods of exploration, extraction and processing, done largely by hand, to fully mechanised operations. There are clear laws and regulations governing ASM in our host countries. Where ASM is conducted on a large-scale mining permit without the permission of the mining company and the regulator, it is technically illegal. This applies to all of the ASM currently conducted on our permits.

Despite its illegality, we recognise the importance of ASM to local communities and seek to balance the need for local people to provide for themselves, with the need to secure our significant investments. Our approach to ASM relies on engagement, monitoring, security and support for alternative livelihoods. We regularly engage with local officials and national government stakeholders to ensure a shared understanding of our plans and activities. We mitigate regulatory risk by engaging with regulators and tracking any environmental impacts from ASM. Regular monitoring is conducted, and security action plans are in line with the Voluntary Principles Initiative (which promotes the Security and Human Rights ("**VPSHR**")) to minimise conflict risks.

We have invested in alternative livelihoods projects to support ASM miners, with a view to developing a more diversified and sustainable local economy. We have had considerable success in attracting local community members away from ASM at our Fetekro exploration permit in Côte d'Ivoire through our rice plantation project.

During 2020, we did not record any significant incidents with ASM on our permits. Through our engagement efforts with ASM miners and the Ministry of Mines in both Burkina Faso and Cote d'Ivoire, ASM miners were successfully moved off our tenements at the Boungou and Houndé mines and the Fetekro Project.

Social Investment

Our social investment strategy is centred around three initiatives: activities at our mines, ECODEV (our impact investment fund, discussed below) and the Endeavour Foundation (discussed below). We work in collaboration and engage with government, local communities and other stakeholders to ensure we support economic sustainability and social development.

In addition, in line with local legislation, we also contribute a portion of revenue (0.5 per cent. in Côte d'Ivoire and one per cent. in Burkina Faso) to the mandatory Local Mining Development Funds. The Local Mining

Development Funds finance community projects in accordance with community-approved, formal, three-year Local Development Plans, with a particular focus on long-term sustainable development to contribute to the improvement of local infrastructure, living conditions and the socio-economic growth.

At our mine sites, we have a number of activities in place, including skills training and educational scholarships, healthcare, water and sanitation, public infrastructure maintenance, institutional capacity building and livelihood restoration programmes for resettlement projects. These activities are implemented in consultation with, and in response to, our stakeholders.

To support entrepreneurial development, in 2018 we established ECODEV, an impact investment fund that supports local economic growth by promoting and investing in the creation of local long-term, sustainable, small and medium enterprises with reputable partners. For example in Mali, ECODEV has invested in Mali Shi, a shea butter company, to create the first industrial shea butter processing factory in Bamako, Mali. The project will support women at our Kalana Project.

In 2021, we plan to launch the Endeavour Foundation which will be our social investment vehicle and will complement our economic development fund ECODEV. Now that we are the largest gold producer in West Africa, we see an opportunity to leverage our size and partner with global NGOs to implement a number of key flagship projects across all our operations to accelerate social upliftment in our host communities in the areas of health, access to water and energy and education.

In 2020, we distributed U.S.$894 million in economic value, including U.S.$262 million paid to host governments in the form of taxes and royalties, U.S.$114 million in employee wages and benefits and U.S.$8.39 million spent on community investment projects and to support the fight against the COVID-19 pandemic and U.S.$16.15 million on the Local Mining Development Funds.

Supply Chain

Our supply chain is an integral part of our operations and a key component of our ESG approach. Our procurement strategy was reoriented in 2019 to focus on sourcing from regional West Africa and is designed, in part, to support the development of local economies that surround our mines. In 2020, we worked with GAN Integrity to design and implement a third-party due diligence programme that aims to ensure that our third-party relationships are consistent with our values. Our supplier database uses the IFC ownership categories and it is our goal to give priority to local and national suppliers from this list, provided that they are competitive and meet our standards. Additionally, we have adopted the Local Procurement Reporting Mechanism in support of increased transparency by the mining industry around the supply chain and mine site procurement.

We have a Supplier Code of Conduct that sets out our requirements for suppliers, which will enable us to support businesses while maintaining our standards and ensuring we do not have issues such as child labour or forced labour in our supply chain. In 2020, U.S.$622 million, or 74 per cent. of our total budget, was spent on national and local suppliers and we supported 2,031 businesses, which represents a 10 per cent. increase from 2019.

In terms of product stewardship, all the gold we produce is sourced from our own mining operations. We do not purchase gold from artisanal or small-scale miners. The majority of our gold, in the form of doré bars, is refined into bullion by Metalor Technologies SA, a Swiss-based refiner of precious metals and a certified member of the London Bullion Market Association ("**LBMA**"), the Responsible Jewellery Council ("**RJC**") and a Fairtrade Certified Trader. Gold from the Wahgnion mine is refined by Argor-Heraeus, part of the German technology group Heraeus, which is also a certified member of the LMBA and the RJC. Additionally, we are launching the Single Mine Origin initiative in June 2021. As part of this initiative, we will provide gold that is traceable to a single source and are investigating SMO partnerships with statement jewellery brands.

Financial Regulations & Royalties

We are subject to mining conventions in Burkina Faso, Côte d'Ivoire, Mali and Senegal which fix certain of our fiscal terms and provide stability clauses for their respective jurisdictions. The mining conventions and applicable laws also require us to make royalty payments for each of the Ity, Boungou, Houndé, Karma, Mana, Wahgnion and Sabodala-Massawa Mines and the Kalana Project.

Ity Mine, Côte d'Ivoire

As regards SMI, the mining convention signed with the government of Côte d'Ivoire is valid for a 12-year period starting 19 December 2014 (with retroactive effect of certain provisions as from 1 January 2014). It can be renewed for successive periods of up to 10 years, depending on the remaining life of mine at the time of the

application for renewal. The convention provides a guarantee of the stability of the tax rates and tax provisions applicable pursuant to the tax regime, for the duration of the convention. We are subject to a corporate income tax rate of 25 per cent. The convention requires us to pay a scaled royalty (based on revenues) of 3.0 per cent. at a gold price of less than U.S.$1,000 per ounce, 3.5 per cent. at a gold price of greater than U.S.$1,000 and less than U.S.$1,300 per ounce, 4.0 per cent. at a gold price of greater than U.S.$1,300 and less than U.S.$1,600 per ounce and 5.0 per cent. at a gold price of greater than U.S.$1,600 and less than U.S.$2,000 per ounce and 6.0 per cent. at a gold price of greater than U.S.$2,000 per ounce. In addition, we are exempted from paying value added tax on major supplies related to mining operations, such as fuel, chemicals and other mining related supplies and services. For a limited period of two years during the construction phase of the Ity CIL project (with the possibility of extending for two additional years subject to prior approval of both the Ministry of Budget and the Ministry of Mines) and for the extension of Ity's production capacity, we will be exonerated from duties and taxes on entry into Côte d'Ivoire. We are required to contribute 0.5 per cent. of the annual revenues to a social fund that will provide funding predominantly for community and regional social projects, services and infrastructure.

As regards SMD, the mining convention signed with the government of Côte d'Ivoire is valid for a 12 year period starting 1 January 2019. It has similar fiscal terms as applied to SMI (tax stability, scaled royalty) and includes the exemption of corporate income tax for five years (starting from the date of first commercial production). The SMI and SMD mining conventions can be renewed for successive periods of up to 10 years, depending on the remaining life of mine at the time of the application for renewal. Moreover, the SMD mining convention includes a derogation for certain provisions of the tax code for elements of the commercial arrangements between SMI and SMD for the processing of SMD ore at the SMI plant.

As regards SMF, the exploitation permit was issued and transferred from LMCI to SMF in 2020. SMF does not benefit from the five-year exemption of corporate income tax which has been withdrawn by the Ivorian Government since 2018. The terms of the SMF mining convention are currently being discussed with the government and should be similar to the terms of the SMD mining convention (scaled royalty, guarantee of the stability of the tax rates and tax provisions, etc.), except for the corporate income tax derogation for commercial arrangements between SMI and SMF as discussed above.

SMD and SMF will both be required to contribute 0.5 per cent. of their annual revenues to social development funds.

Boungou Mine, Burkina Faso

The mining convention is effective from 19 June 2017, for a period of seven years. The term can be renewed for five additional years, until the depletion of resources. The convention offers stabilisation of regulations regarding taxes and custom duties from 23 January 2017, the date of the decree granting the exploitation permit. This stabilisation extends for the full duration of the convention, but does not apply to mining taxes and royalties.

The convention also provides for proportional taxes, such as a surface tax, and royalties based on revenues. The amount of these royalties is 3 per cent. at a gold price of less than U.S.$1,000 per ounce, 4 per cent. at a gold price of greater than U.S.$1,000 and less than or equal to U.S.$1,300 per ounce, and 5 per cent. at a gold price greater than U.S.$1,300 per ounce. The convention provides for an ordinary corporate tax set at 27.5 per cent. at the time of tax stabilisation, and a securities income tax of 6.25 per cent. We are exempt for seven years (starting from the date of first commercial production) from certain taxes (patent, employer contribution). In addition, the convention exempts us from registration fees for capital increases.

Regarding customs, the convention states that in relation to supplies and resources, and imports for energy generation and functioning of vehicles, we are subject to custom duties of 5 per cent., a statistical fee of 1 per cent., a community contribution of 1 per cent. and a community levy of 0.5 per cent. Lastly, we are obliged to contribute to a mining site rehabilitation fund through the opening and use of a trust account, and to contribute 1 per cent. of our revenues to the mining local development fund.

Houndé Mine, Burkina Faso

The mining convention is effective since 30 November 2015 and will terminate on 5 February 2035. It can be renewed for successive periods of up to 5 years, depending on the remaining life of mine at the time of the application for renewal. As part of the convention, we are provided with fixed fiscal terms for the full term of the agreement, subject to the specific terms of the Houndé mining convention. We are subject to a corporate income tax rate of 17.5 per cent. (i.e. the usual rate applicable is 27.5 per cent. reduced by 10 points for mining companies under the 2003 mining code). The convention requires us to pay a scaled royalty (based on

revenues) of 3.0 per cent. at a gold price of less than U.S.$1,000 per ounce, 4 per cent. at a gold price of greater than U.S.$1,000 and less than U.S.$1,300 per ounce, 5 per cent. at a gold price greater than U.S.$1,300 per ounce. Houndé is also subject to a 2 per cent. net smelter return royalty owed to Franco Nevada Corporation and Sandstorm Gold Ltd. Such net smelter return royalty also applies to the production on a portion of Bouéré-Dohoun Gold Operation SA's Bouéré gold deposit. In addition, we are exempted for seven years (starting from the date of first commercial production) from certain taxes (patent, employer contribution) but do not benefit from any VAT exoneration during operations. We contribute 1 per cent. of the annual revenues from the Houndé Mine to a social fund that will provide funding predominantly for community and regional social projects, services and infrastructure.

Karma Mine, Burkina Faso

The mining convention is effective since 30 November 2015 and will terminate on 31 December 2033. It can be renewed by successive periods of up to 10 years, depending on the Karma remaining life of mine at the time of the application for renewal. As part of the convention, we are provided with fixed fiscal terms for the full term of the agreement, subject to the specific terms of the Karma mining convention. We are subject to a corporate income tax rate of 17.5 per cent. (i.e., the usual rate applicable is 27.5 per cent. reduced by 10 points for mining companies under the 2003 mining code). The convention requires us to pay a scaled royalty (based on revenues) of 3.0 per cent. at a gold price of less than U.S.$1,000 per ounce, 4 per cent. at a gold price of greater than U.S.$1,000 and less than U.S.$1,300 per ounce, 5 per cent. at a gold price of greater than U.S.$1,300 per ounce. Karma is also subject to a 2 per cent. royalty owed to Liberty Metals & Mining Holdings. Further, there is a 3 per cent. royalty owed to Mr. Matlock and Ms. Guirma in connection with the Rambo deposit, a 3 per cent. royalty owed to Mr. Matlock on certain areas surrounding the Rambo and Nami deposits, a 1 per cent. to 2 per cent. sliding scale royalty owed to Golden Star Resources Ltd. in respect of certain deposits and a 5 per cent. royalty owed to the Ouedraogo family in respect of certain deposits. In addition, we are exempted for seven years (starting from the date of first commercial production, 29 April 2016) from certain taxes (patent, employer contribution) but do not benefit from any VAT exoneration during operations. We contribute 1 per cent. of the annual revenues to a social fund that will provide funding predominantly for community and regional social projects, services and infrastructure.

Mana Mine, Burkina Faso

The mining convention has been effective since 2 October 2007, and will be valid for a 20 year period. It can be renewed for successive periods of 10 years. The convention offers stabilisation of regulations regarding currency exchange, taxes and custom duties from 20 March 2007, the date of the decree granting the exploitation permit. This stabilisation extends for the full duration of the convention and any subsequent renewals. Stabilisation also applies to importation of merchandise, machinery, equipment, replacement parts and consumable goods and regulation applying to the use of products used for the exploitation of gold. In addition, the convention exempts us from registration fees for capital increase operations.

The convention also refers to certain fixed fees set by decree, such as a fee for renewal or transfer of the mining title. It also provides for proportional taxes, such as a surface tax of 500,000 FCFA/Km^2 per royalties based on revenues. The amount of these royalties is of 3.0 per cent. at a gold price of less than U.S.$1,000 per ounce, 4 per cent. at a gold price of greater than U.S.$1,000 and less than or equal to U.S.$1,300 per ounce, and 5per cent. at a gold price greater than U.S.$1,300 per ounce.

The convention provides for a regular corporate tax rate of 27.5 per cent. reduced by 10 points, so that effectively the applicable rate is 17.5 per cent. It also provides a securities income tax rate reduced by 50 points, so that the effective applicable rate is 6.25 per cent. per year. The convention provides for royalties of 3 per cent. of the FOB value of the quarterly production. We are also subject to a tax on industrial and commercial profits at the ordinary rate minus 10 points, and an income tax on securities equal to half the ordinary rate. Lastly, the convention provides for cumulative customs duties rate of 7.5 per cent. for importation of goods for energy generation, functioning vehicles and equipment and their spare parts, and the possibility to request temporary customs admission for mining equipment.

Wahgnion Mine, Burkina Faso

The mining convention was effective from 13 July 2015 for a duration of 20 years. It can be renewed for successive periods of five years. The convention offers a stabilisation of regulations regarding taxes and customs duties from 1 August 2014, the date of the decree granting the exploitation permit. This stabilisation extends for the full duration of the convention and any subsequent renewals.

The convention also provides for royalties based on revenues. The amount of these royalties is 3 per cent. at a gold price of less than U.S.$1,000 per ounce, 4 per cent. at a gold price of greater than U.S.$1,000 and less than or equal to U.S.$1,300 per ounce, and 5 per cent. at a gold price greater than U.S.$1,300 per ounce.

We are also subject to a corporate tax rate of 27.5 per cent. reduced by 10 points, so that effectively the applicable rate is 17.5 per cent., and an income tax on securities equal to half the ordinary rate, resulting in the effective applicable rate of 6.25 per cent. Moreover, the convention provides for cumulative rate customs duties of 7.5 per cent. for importation of goods for energy generation, functioning vehicles and equipment and their spare parts, and the possibility to request temporary customs admission for mining equipment. Lastly, we are obliged to contribute to a mining site rehabilitation fund through the opening and use of a trust account.

Sabodala-Massawa Mine, Senegal

The convention entered into force on 7 April 2015, for the duration of the mining concession extended to 26 January 2025. The convention gives a right to stability of the tax and customs regime from 9 June 2005, the date of the grant of the Sabodala exploitation permit. The global tax holiday originally granted to the operating company has expired.

The convention provides that during (i) the period of completion of investments, (ii) start of production of a new operation, or (iii) the extension of the production capacity of a pre-existing operation, we will be exempt from border taxes and duties and VAT, with the exception of statistical royalties of the WAEMU, and community levies. This exemption ended on the date of first production. During the mining phase, an exemption from export taxes on mining products applies. Moreover, amendment n°1 to the mining convention extended an exoneration on VAT for the provision of goods and services. This exemption is set to end on 2 May 2022. We are subject to an annual 5 per cent. mining royalty of the mine head value of production, which cannot be subject to any exemption. The convention also states a commitment to invest an amount of U.S.$1,225,000 per year for the social development of local communities, along with yearly contributions of U.S.$350,000 and U.S.$30,000 for training of Senegalese labour forces and logistical support to the local administration. We are also obliged to contribute to a mining site rehabilitation fund through the opening and use of a trust account (this last obligation has not yet been implemented, but will soon come into force). Lastly, upon closure of the mine, we will be obligated to pay to the Senegalese State an amount equal to US$15,000,000 as dividends.

An amendment to the Sabodala mining convention is under discussion to include the Massawa exploitation permit.

Massawa, Senegal

The Kanoumba mining convention entered into effect on 14 April 2010 for the duration of the exploitation activities. The exploitation activities have been authorised by decree on 21 February 2020, for a renewable term of 20 years. The convention provides for a stabilisation of tax and custom regulations during the validity of the exploitation permit. It also stabilises legal, administrative, financial and tax conditions for the duration of the convention.

The convention provides that during (i) the period of completion of investments, (ii) start of production of a new operation, or (iii) the extension of the production capacity of a pre-existing operation, we will be exempt from border taxes and duties including VAT, with the exception of statistical royalties of the WAEMU, and community levies. This exemption ends on the date of first production. Moreover, during the mining phase, an exemption from export taxes on mining products applies. For a period of three years starting on 21 February 2020, the date of the granting of the exploitation permit, we also benefit from a complete exemption from (i) VAT on goods and services, (ii) customs duties on exportations, (iii) minimum perception lump-sum, (iv) contribution for patents and real estate, (v) employer contributions, and (vi) fees for incorporating companies and increasing capital. We are subject to a mining royalty of 5 per cent. Massawa SA, being the current holder of the mining concession, is exempt from corporate tax for a period of 7 years, starting on 21 February 2020. This exemption will end upon the integration of Massawa into the Sabodala mining concession.

Massawa SA must contribute to the development of local communities. It is obligated to invest U.S.$150,000 each year during the construction phase, and 0.5 per cent. of its revenues during the production phase. It must also contribute to the mining administration with payments of U.S.$150,000 per year during the construction phase, and U.S.$250,000 per year during production phase. Lastly, we are also obligated to contribute to a mining rehabilitation fund through the opening and use of a trust account (this last obligation has not yet been implemented, but will soon come into force).

Note that the Kanoumba mining convention entered into between the State of Senegal and Randgold Resources Limited will only apply until Massawa is integrated to the SGO Mine and Mining Convention. It was amended for the specific perimeter of Massawa on 13 February 2020.

Kalana Project, Mali

The mining convention is effective since 14 February 2003 and will terminate on 14 February 2033. As part of the convention, we are provided with fixed fiscal terms for the full term of the agreement, subject to the specific terms of this convention. We are subject to a corporate income tax rate of 30 per cent. and, in case of loss, a minimum tax amounting to 1 per cent. of the annual turnover. The convention requires us to pay a royalty ("**ISCP**") of 3.0 per cent. (based on turnover excluding taxes). In addition, due to a special historical arrangement with the government of Mali, the Company benefits from special tax exonerations: (i) in relation to the exploration works conducted by the Kalana exploration branch on its operating licence (i.e., the branch benefits from all taxes and customs exonerations applicable to exploration companies) and (ii) in relation to the operations on the Kalana permit (i.e., each new deposit which will be operated in the future on the Kalana permit will be considered a new mine and will be able to claim all tax and duties exonerations usually granted for the construction period and the first three years of commercial production).

Although we currently find these regulatory arrangements to be beneficial to our business, there can be no assurance that the governments in the respective jurisdictions will continue to uphold the terms of the mining conventions to which we are party, or that we will able to enter into new agreements on the same or similar terms in the future.

In addition, we are subject to various national and local laws in the jurisdictions in which we operate, including, but not limited to, laws relating to permits and maintenance of title, employee relations, environmental protection and remediation, health and safety, land use and land acquisitions.

Legal and Arbitration Proceedings

We become involved from time to time in various claims and lawsuits arising in the ordinary course of our business. We are not currently, nor have we been during the past 12 months, involved in any litigation, arbitration or governmental proceedings (including such proceedings which are pending or threatened or of which we are aware during the 12 months preceding the date of this document) which may have or have had in the recent past material adverse effects on our financial position or profitability at the subsidiary or group level.

PART 8
DIRECTORS, SENIOR MANAGERS AND CORPORATE GOVERNANCE

Directors of the Company

The following table lists the names, positions and ages of the Directors.

Name	Age	Position
Michael Beckett	84	Chair and Non-Executive Director
Sébastien de Montessus	46	Chief Executive Officer and Executive Director
James Askew	72	Non-Executive Director
David Mimran	54	Non-Executive Director
Naguib Sawiris	66	Non-Executive Director
Alison Baker	50	Independent Non-Executive Director
Sofia Bianchi	64	Independent Non-Executive Director
Carmen Letton	55	Independent Non-Executive Director
Livia Mahler	62	Independent Non-Executive Director
Tertius Zongo	63	Independent Non-Executive Director

The Board may consider, following Admission, making further appointments to fill specific roles (such as the current absence of a Senior Independent Director) or to add technical expertise relevant to the operations of the Group. Appointments to the Board will be based on the recommendations of the Corporate Governance and Nominating Committee.

Michael Beckett *(Chair)*

Michael E. Beckett is Chair of the Board of Endeavour Mining. He has over 45 years' experience in the mining sector and has been involved in the development of some of the largest gold mines in the USA, Africa and Papua New Guinea; iron ore mines in Western Australia; industrial minerals in the Ukraine, Russia and Indonesia; and platinum mines in South Africa. He was previously Managing Director of Ashanti Gold Fields, Chairman of WBB Minerals and Chairman of Clarkson plc.

Sébastien de Montessus (*Chief Executive Officer*)

Sébastien de Montessus is President and CEO of Endeavour Mining. Under his leadership, he has introduced key strategic objectives, the achievement of which have created a sustainable business that generates long-term cash flow.

Prior to this, he served as the CEO of the La Mancha Group between 2012 and 2016. Under his leadership, La Mancha doubled its production through optimisation efforts before undergoing a significant portfolio restructuring. Sébastien was also a member of the Executive Board and Group Deputy CEO of AREVA Group, a leading nuclear energy company and CEO of AREVA Mining, which focused on uranium assets. He has also served as a Board member of Evolution Mining from 2015–2018 and ERAMET from 2010–2012.

Before joining AREVA in 2002, Sébastien was an investment banker at Morgan Stanley in London specialising in M&A and Equity Capital Markets. He is a business graduate from ESCP-Europe Business School in Paris.

James Askew (*Non-Executive Director*)

Jim Askew is a mining engineer with more than 45 years of broad international and technical expertise. He has served as Chief Executive Officer and board member for a number of publicly-listed mining companies. He has extensive technical expertise in open pit and underground mines, including design, construction and operations. Currently, he is Chairman of Syrah Resources and a non-executive director of Evolution Mining. He has previously served on the boards of several resource public companies, including OceanaGold.

James Askew has been nominated to the Board by La Mancha under the terms of the Relationship Agreement.

David Mimran (*Non-Executive Director*)

David Mimran was formerly a director and the largest shareholder of Teranga Gold Corporation, from which he has knowledge and experience of operating within West Africa.

David is currently head of Tablo Corporation, Miminvest SA, and Mimran Natural Resources, all of which hold investments in West Africa's natural resource sector on behalf of the Mimran Group, a family conglomerate with a history of successful business operations in Africa and Europe.

David has previously held a number of senior positions in the financial sector, including Vice Chairman and founding partner of Breeden Partners, L.P., an actively managed investment fund focused on value generation in U.S. public companies, Vice Chairman of Milestone Merchant Partners, a Washington-based investment bank, and as a director and principal to the Bank of West Africa (CBAO), one of the largest banking groups in the region.

Naguib Sawiris (*Non-Executive Director*)

Naguib Sawiris is Chairman of La Mancha Group, Chairman of the Board of Orascom TMT Investments and Chairman and CEO of Orascom Investment Holding S.A.E. He is also a director of Beltone Financial Holding, Euronews, Prima TV and Aya Napa Marina.

The Sawiris Family group has substantial interests in the telecom, construction, fertilizer, cement, real estate and hotel development industries and other businesses. Naguib founded Orascom Telecom Holding and developed it into a leading regional telecom player. Subsequently, a merger with VimpelCom Ltd created the world's sixth largest mobile telecommunications provider.

He has received a number of honorary degrees, industry awards and civic honours, including the "Légion d'Honneur", the highest award given by the French Republic for outstanding services rendered to France, the Honor of Commander of the Order of the "Stella della Solidarietà Italiana", and the prestigious "Sitara-e-Quaid-e-Azam" award for services rendered to the people of Pakistan in the field of telecommunications, investments and social work.

He serves on a number of additional Boards, Committees and Councils including London Stock Exchange's Africa Advisory Group, and the Arab Thought Foundation. He has also served on the Advisory Committee to the NYSE and the International Advisory Board to the National Bank of Kuwait.

Naguib Sawiris has been nominated to the Board by La Mancha under the terms of the Relationship Agreement.

Alison Baker (*Independent Non-Executive Director*)

Alison Baker is a chartered accountant with over 25 years' experience in providing audit, capital markets, advisory and assurance services. Alison has extensive emerging markets experience in the energy and mining sectors, having previously led the UK and EMEA Oil & Gas practice at PricewaterhouseCoopers and prior to that the UK Energy, Utilities and Mining Assurance practice at Ernst & Young. She is currently a non-executive director and Audit Committee Chair at FTSE250 listed company Helios Towers plc and is senior independent director and Audit Committee Chair at Rockhopper Exploration plc. She previously served as a non-executive director of KAZ Minerals plc. She is a qualified chartered accountant of the Institute of Chartered Accountants of England and Wales and earned a Bachelor of Science in mathematical sciences from Bath University.

Sofia Bianchi (*Independent Non-Executive Director*)

Sofia Bianchi is a finance professional with over 30 years of experience. As Deputy Managing Director of the Emerging Africa Infrastructure Fund, she played a leading role in the establishment of the first dedicated African infrastructure fund focused on financing private sector infrastructure projects. She is the Founding Partner of Atlante Capital Partners, which specialises in financial restructuring and turnarounds of structurally undervalued businesses in emerging markets. Until recently, she was Head of Special Situations, as well as a Member of the Investment Committee for Debt and Infrastructure, at the CDC Group plc, a development finance institution. Previously she was Head of Special Situations at BlueCrest Capital Management. She is currently on the board of Yellow Cake plc, Sitex SA and Spitex Perspecta AG. From 2008 to 2017 she served on the Board of Kenmare Resources plc. She holds a Bachelor of Arts in Economics from the George Washington University and an MBA from The Wharton School.

Dr Carmen Letton (*Independent Non-Executive Director*)

Carmen Letton is a mining engineer and mineral economist with 35 years of global mining exposure in Australia, South East Asia, Africa, South America and Central America. Working with major and mid-tier mining houses, Carmen has a diverse background in senior leadership roles in operations, business improvement and operational excellence. More recently focused on corporate and asset strategy development and divestments/mergers and acquisitions, Carmen has extensive technical expertise in open pit and underground mines across multiple commodities and the many stages of asset development. Currently, Carmen

is the Head of RDP and LoAP (Asset Strategy Development) in the Technical and Sustainability Group of Anglo American plc.

Carmen holds a PhD in Mineral Economics from the University of Queensland and an Engineering degree (Mining) from the Western Australia School of Mines.

Livia Mahler (*Independent Non-Executive Director*)

Livia Mahler brings strong expertise in corporate governance to the Board, having sat on a number of Audit and Compensation committees during her career. Livia is currently President and Chief Executive Officer of Computational Geosciences Inc., a company that provides geophysical data processing services to the mining and oil & gas industries. She previously served on the audit and compensation committees of Ivanhoe Mines, Diversified Royalty Corp., Turquoise Hill Resources, and DuSolo Fertilizers Inc. Her background also includes 20 years of venture capital experience where she invested in technology companies and was widely recognised for her strategic insights into the Canadian venture capital industry.

She received a Bachelor of Science degree from the Hebrew University of Jerusalem and an MBA from the University of British Columbia.

Tertius Zongo (*Independent Non-Executive Director*)

Tertius Zongo is the former Prime Minister of Burkina Faso, a position which he held from 2007 until 2011. Prior to this, Tertius served as Burkina Faso's Ambassador Extraordinary and Plenipotentiary to the USA from 2002 until 2007. He has also held a number of positions within the Burkinabe government including Minister of State for Planning and Budget and Minister of Economy and Finance.

Since 2018, Tertius has been the Director of the "Chair Sahel" of the Foundation for Studies and Research on International Development (FERDI), which aims to better inform public and private decision-makers to ensure the sustainable development of the Sahel region. Before his career in government, Tertius taught accounting, business economics and financial management at the University of Ouagadougou and the National School of Financial Controls in Burkina Faso.

He holds a Bachelor of Arts and a master's degree in economics from the University of Dakar, Senegal, in addition to a business management degree from the Institute of Business Management of Nantes, France. Currently he sits on the board of ECOBANK Côte d'Ivoire and previously, he was on the board of SEMAFO Inc.

Senior Managers of the Company

The Group's Executive Management Team, including the Executive Director listed above, are as follows (the "**Senior Managers**" or "**Senior Management**"):

Name	Age	Position
Sébastien de Montessus	46	Director and Chief Executive Officer
Joanna Pearson	46	Executive Vice President and Chief Financial Officer
Mark Morcombe	51	Executive Vice President and Chief Operating Officer
Pascal Bernasconi	62	Executive Vice President of Public Affairs, Corporate Social Responsibility, and Security
Patrick Bouisset	62	Executive Vice President, Exploration and Growth
Morgan Carroll	46	Executive Vice President of Corporate Finance, General Counsel and Secretary
Henri de Joux	44	Executive Vice President, People & IT

Sébastien de Montessus *(Chief Executive Officer)*

See "*—Directors of the Company*" for Sébastien's biography.

Joanna Pearson (*Executive Vice President and Chief Financial Officer*)

Joanna Pearson joined Endeavour Mining in September 2020 and assumed the role of Executive Vice President and Chief Financial Officer in January 2021. Prior to joining Endeavour, Joanna worked for Deloitte LLP (Canada) with more than ten years' experience as an audit partner, and over 20 years' experience serving clients in public practice, with a focus on multinational mining clients.

A graduate of the University of British Columbia, Joanna is a qualified chartered accountant and Canadian CPA.

Mark Morcombe (*Executive Vice President and Chief Operating Officer*)

Mark Morcombe joined Endeavour Mining in May 2019 as Chief Operating Officer, bringing with him more than 25 years of experience in the mining industry leading safety, environment, mine planning, cost and productivity initiatives.

Prior to joining Endeavour, Mark was Chief Operating Officer of Centamin Plc, operator of the Sukari Mine in Egypt, and before this, he held the same role at Acacia Mining Plc. Between late 2010 and April 2016, he held several senior roles at AngloGold Ashanti, including Senior Vice President, Planning and Business Development and Senior Vice President Ghana, during which he led the Obuasi gold mine turnaround project.

Mark holds a degree in Mining Engineering from the Western Australian School of Mines.

Pascal Bernasconi (*Executive Vice President of Public Affairs, CSR and Security*)

Pascal Bernasconi is Endeavour Mining's Executive VP for Public Affairs, CSR and Security.

Pascal joined Endeavour from the La Mancha Group, where he was General Manager of Société des Mines d'Ity, bringing with him experience managing complex operating environments. He began his career in the nuclear industry at COGEMA, where he managed a large nuclear site in France for five years before moving to Areva's mining operations in Kazakhstan and in Niger.

Pascal holds a PhD in Physics and Chemistry from Université Nancy 1 and a diploma in finance controlling.

Patrick Bouisset (*Executive Vice President of Exploration and Growth*)

Patrick Bouisset joined Endeavour Mining as the Executive Vice President of Exploration in November 2015, with over 30 years of experience in mining and oil and gas exploration.

Prior to joining Endeavour Mining, he was Executive Vice President Exploration and New Ventures of La Mancha and before that, Vice President of Geoscience for Areva's Business Group. For six years, as a member of the executive committee of Areva Mines, he led worldwide exploration activities and managed all of its not yet producing subsidiaries. Before joining Areva in 2007, he spent more than 20 years overseas during his career with Total, leading all of the company's exploration activities in Africa.

Patrick holds a master's degree in Geology from Orleans University.

Morgan Carroll (*Executive Vice President of Corporate Finance and General Counsel*)

Morgan Carroll joined Endeavour Mining at its inception as a mining company in 2011 and has over 15 years of experience in mining finance and advisory work.

Morgan initially practised as a natural resources lawyer at a large multinational law firm in New York and London and worked at several US and European banks in structured finance roles, before joining Endeavour Financial in 2008. He has wide-ranging experience advising on base metals, precious metals, and oil and gas financings and corporate transactions. Throughout his career, his areas of focus have been corporate and project finance, debt and equity capital markets, M&A and corporate development, joint ventures, and Board-level governance.

Morgan is a graduate of Trinity College Dublin (LL.B, Ling. Germ.) and the University of London (LL.M). He is admitted as an Attorney in the State of New York and as a Solicitor in England & Wales.

Henri de Joux (*Executive Vice President of People and IT*)

Henri de Joux joined Endeavour Mining as Executive Vice President of People and IT in October 2016.

Prior to this, Henri served as Chief Financial Officer and Chief Strategy Officer at Business France, the French agency with a presence in 70 countries in charge of developing export and attracting foreign investment. Before joining Business France, he worked at the Orange Group for fifteen years, holding a number of senior executive positions including Group Deputy General Secretary and company secretary, Chief of Staff of the Deputy CEO in charge of Finance and operations in Spain, Member of the Supervisory Board at Orange Polska SA and Director of Orange Jordan and Mobinil Telecommunications (Egypt).

Henri is a graduate of EM Lyon Business School and the French Bar School in Paris, as well as holding an Auditor qualification from the Institute of Higher National Defence Studies (IHEDN) in Paris. He holds a rank of Colonel in the French Air Force as a reserve military personnel.

UK Corporate Governance Code

The Board is committed to the highest standards of corporate governance. Save as disclosed below, as of the date of this Prospectus and on and following Admission, the Board will comply with the UK Corporate Governance Code. The Board will also be subject to and intends to comply with the Canadian National Policy 58–201—Corporate Governance Guidelines.

As envisaged by the UK Corporate Governance Code, the Board has established an audit committee, a corporate governance and nominating committee and a remuneration committee. It has also established an environment, sustainability and governance committee and a technical, health and safety committee as the Board considers that this follows best practice for the mining industry. If the need should arise, the Board may set up additional committees as appropriate.

The UK Corporate Governance Code recommends that, in the case of a FTSE 350 company, at least half the board of directors, excluding the chair, should comprise non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director's judgement. The Board considers that the Company complies with the requirements of the UK Corporate Governance Code in this respect by having five independent Directors and four non-independent Directors (excluding the Chair of the Board).

Michael Beckett has served as the Chairman of Endeavour (including as the chair of the Old EDV Board) since September 2010. This appointment period exceeds the nine-year period stated in the UK Corporate Governance Code as indicating that there are circumstances which are likely to, or could appear to, impair a non-executive director's independence. Accordingly, Michael Beckett is not considered to be an independent Chair for the purposes of the UK Corporate Governance Code. Nonetheless, the Board considers that the stability provided by Michael Beckett's leadership of the Board in the wake of the recent SEMAFO and Teranga acquisitions has been and will continue to be an integral part of both the successful integration of those assets and the Group's transition to a premium listing in London. The Company has commenced a search process for a long-term replacement for Mr. Beckett as the Chair of the Board. There can be no assurance that such search will identify a suitable replacement in the near-term, but the Company's intention is to have a new Chair of the Board in place before its annual general meeting in 2022.

On Admission and for a period of time thereafter, Michael Beckett will also continue in the role of chair of the Remuneration Committee (see below for the full composition of and further information on the Remuneration Committee). The UK Corporate Governance Code recommends that all members of the Remuneration Committee should be Independent Non-Executive Directors, and that the Chair of the Board should not be the chair of the Remuneration Committee. Accordingly, the composition of the Remuneration Committee (including the identity of its chair) will not, on Admission, be compliant with the UK Corporate Governance Code. However, the Board believes that the current composition of the Remuneration Committee brings a desirable range of skills and experience that will be important for the Group's transition to a premium listing in London. The Board intends that the composition of the Remuneration Committee (including the identity of its chair) will move towards compliance with the UK Corporate Governance Code as part of the changes to the Board that will be brought about by the planned succession process to appoint a new Chair of the Board as described above.

Audit Committee

The Audit Committee comprises a minimum of three independent Non-Executive Directors. The current members of the Audit Committee are:

Name	Committee Position
Alison Baker	Chair of Audit Committee and Independent Non-Executive Director
Sofia Bianchi	Independent Non-Executive Director
Livia Mahler	Independent Non-Executive Director
Tertius Zongo	Independent Non-Executive Director

The responsibilities of the Audit Committee include: oversight of the integrity of the Company's financial statements; oversight of risk management and internal control arrangements; oversight with compliance with legal and regulatory requirements; making recommendations to the Board on the nomination of and

compensation payable to the external auditors; oversight of performance, qualifications and independence of the external auditors, approve external auditors terms of engagement, including any engagement letter issued at the start of each audit and the scope of audit; and the performance of the internal audit function. The Audit Committee meets at least four times a year and the chair of the Audit Committee may invite other Directors to attend meetings.

The UK Corporate Governance Code recommends that all members of the Audit Committee be independent non-executive directors, that one such member has recent and relevant financial experience, and that the Audit Committee as a whole has competence relevant to the sector in which the Company operates. The Board considers that Alison Baker's background in accounting and audit, and the sector experience of Sofia Bianchi and Livia Mahler, mean that the Audit Committee complies with the requirements of the UK Corporate Governance Code in this respect.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee comprises a minimum of three Directors, of which two are Independent Non-Executive Directors. The current members of the Governance and Nominating Committee are:

Name	Committee Position
Sofia Bianchi	Chair of Corporate Governance and Nominating Committee and Independent Non-Executive Director
Michael Beckett	Non-Executive Director
Tertius Zongo	Independent Non-Executive Director

The responsibilities of the Corporate Governance and Nominating Committee include: recommending to the Board candidates for nomination as Executive Directors and Non-Executive Directors; succession planning; reporting on Board diversity; and oversight of corporate governance matters. The Corporate Governance and Nominating Committee meets at least twice a year.

The UK Corporate Governance Code recommends that a majority of the Corporate Governance and Nominating Committee be Independent Non-Executive Directors. As two of the three members of the Corporate Governance and Nominating Committee are Independent Non-Executive Directors, the Board considers that the Corporate Governance and Nominating Committee complies with the requirements of the UK Corporate Governance Code in this respect.

Under the Canadian Corporate Governance Guidelines as will apply to the Company by virtue of its Shares being admitted to listing and posted for trading on the Toronto Stock Exchange, all members of the Corporate Governance and Nominating Committee should be independent as determined by the Canadian Corporate Governance Guidelines. As Michael Beckett is considered to be independent for the purposes of the Canadian Corporate Governance Guidelines, the Corporate Governance and Nominating Committee complies with this requirement of the Canadian Corporate Governance Guidelines.

The Corporate Governance and Nominating Committee is responsible for monitoring ongoing governance compliance and considering and recommending nominations for directorships. As an element of its oversight functions, the Corporate Governance and Nominating Committee has examined the circumstances surrounding, and continues to monitor, the matters described below.

Since April 2014, a judicial inquiry by French officials into a number of ex-Areva executives and employees, including our CEO, Sébastien de Montessus, has been examining the circumstances surrounding the 2007 acquisition by Areva (a French multinational group involved in the nuclear power industry, and now called Orano) of UraMin (a Canadian company which owned uranium assets in Namibia and South Africa) (the "**UraMin Acquisition**"), together with other related matters. Whilst Mr. de Montessus was not an employee of Areva's mining division when the terms of the UraMin Acquisition were agreed, he became Head of Mining at Areva in July 2007, shortly after the UraMin Acquisition was announced, and became a member of the Executive Board of Areva S.A. in June 2011, a position he held until March 2012.

Since March 2018, Mr. de Montessus' status in this inquiry has been "mis en examen", which can be translated as "under judicial inquiry". This is an investigative stage of the inquiry and, contrary to certain media reports, does not equate to being "charged" or "indicted", as those terms are understood in the UK and North America.

One element of the inquiry relates to allegations that, during the time when Mr. de Montessus was Head of Mining at Areva, Areva published misleading accounts by failing to recognise, at the appropriate time, an

impairment in relation to the value of the UraMin assets it acquired in 2007. Other elements of the inquiry relate to allegedly unlawful payments made by Areva/UraMin, and an investigation as to whether unlawful, retroactive payments were made to Areva executives (including Mr. de Montessus) following the acquisition.

Since March 2018 when Mr. de Montessus' status became "mis en examen", the Group's Corporate Governance and Nominating Committee has determined that Mr. de Montessus has not been impeded in his ability to carry out his responsibilities and execute his duties as CEO of the Group. There has been no material change in the status of the inquiry since March 2018. There can be no certainty as to when or if the inquiry may progress, nor when the inquiry may conclude, nor how the inquiry may conclude (i.e. whether the inquiry may be closed without progressing, whether any indictment may be brought, or whether any such indictment may result in a conviction). None of the matters that are the subject of the inquiry relates to Endeavour, or any of its businesses or assets, and they entirely pre-date Mr. de Montessus joining Endeavour. The Corporate Governance and Nominating Committee will continue to keep under review its determination as to Mr. de Montessus' ability to carry out his responsibilities and execute his duties as the inquiry progresses.

For further discussion of these matters, please see "*Risk Factors—French officials are conducting a judicial inquiry into certain past employees of Areva, including into our CEO Sébastien de Montessus in relation to his time as an employee of Areva, which could lead to negative publicity and/or reputational damage for the Group, and which could have an adverse impact on his ability to continue in his role.*"

Remuneration Committee

The Remuneration Committee comprises a minimum of three Independent Non-Executive Directors. The current members of the Remuneration Committee are:

Name	Committee Position
Michael Beckett	Chair of Remuneration Committee and Non-Executive Director
Sofia Bianchi	Independent Non-Executive Director
Livia Mahler	Independent Non-Executive Director

The responsibilities of the Remuneration Committee include: the remuneration of the Executive Directors, Non-Executive Directors and Senior Management; the design and terms of executive and all employee share-based incentive plans (for approval by the Board, and, where required, Shareholders); the remuneration policy, especially for the Executive Directors, Non-Executive Directors, the Chair of the Board and Senior Managers; and preparation of the annual remuneration report for approval by Shareholders at the annual general meeting (as necessary). The Remuneration Committee meets at least three times a year.

The UK Corporate Governance Code recommends that all members of the remuneration committee be Independent Non-Executive Directors, and that the chair of the board of directors should not chair the remuneration committee. As such, at this time the Remuneration Committee does not comply with the requirements of the UK Corporate Governance Code because Michael Becket is the chair of the Remuneration Committee and it is not comprised solely of Independent Non-Executive Directors.

Environment, Sustainability and Governance Committee

The Environment, Sustainability and Governance Committee comprises a minimum of three Directors, at least two of whom must be independent Non-Executive Directors. The current members of the Environment, Sustainability and Governance Committee are:

Name	Committee Position
Michael Beckett	Chair of ESG Committee and Non-Executive Director
James Askew	Non-Executive Director
Alison Baker	Independent Non-Executive Director
Tertius Zongo	Independent Non-Executive Director

The responsibilities of the Environment, Sustainability and Governance Committee include: advise management in connection with the development and implementation of environment, sustainability and governance ("**ESG**") strategies; establish ESG targets for the Company with management; conduct an annual review of the Company's ESG policies, processes and systems; annually review the Company's sustainability report; and review environmental incident reports and the results of investigations into material events from environmental reports.

Technical, Health and Safety committee

The Technical, Health and Safety Committee comprises a minimum of three Directors, at least two of whom must be independent Non-Executive Directors. The current members of the Technical, Health and Safety Committee are:

Name	Committee Position
James Askew	Chair of Technical, Health and Safety Committee and Non-Executive Director
Michael Beckett	Non-Executive Director
Sofia Bianchi	Independent Non-Executive Director
Livia Mahler	Independent Non-Executive Director

The responsibilities of the Technical, Health and Safety Committee include: conducting investigations, analysis and diligence to validate and test the technical aspects of the Company's exploration opportunities, project development or mining operations; establishing with management long-term technical, health and safety performance objectives; and considering and advising management of emerging technical, health and safety issues, challenges and risks facing mining operations.

Rules on Share Dealing

The Company has adopted, with effect from Admission, a set of Rules on Share Dealing which is based on the requirements of the Market Abuse Regulation. These rules will apply to the Directors and other relevant employees of the Group.

Relationship Agreement with La Mancha

The Company has entered into a relationship agreement with La Mancha, the terms of which will come into force on Admission. This agreement will in effect replace the existing Investor Rights Agreement between Old EDV and La Mancha. See paragraph 17.1 (*Relationship Agreement*) of Part 17 (*Additional Information*) for a more detailed description of the agreement.

Conflicts of interest

The Company is not aware of any conflicts of interest between any duties owed by the Directors to the Company and their private interests or other duties, except for the following:

(a) Naguib Sawiris is Chairman of La Mancha and as such has influence over La Mancha but does not exercise control over its voting rights in respect of Shares.

(b) Naguib Sawiris and James Askew have been nominated to the Board by La Mancha under the terms of the Relationship Agreement.

(c) Prior to his employment by the Group, Sébastien de Montessus was formerly employed by La Mancha (or an affiliate thereof).

(d) David Mimran controls Tablo Corporation, which on Admission is expected to hold approximately 6.2 per cent. of the issued share capital of the Company (based on its holding of Old EDV Shares as at the Last Practicable Date).

Save as disclosed in this Prospectus, there are no arrangements or understanding with any other major shareholders, customers, suppliers or other pursuant to which any Director or member of Senior Management was selected as a Director of member of Senior Management.

PART 9
SELECTED FINANCIAL AND OTHER INFORMATION

The tables below set out the Group's selected financial information for the periods indicated, which have been extracted without material adjustment from the historical financial information set out in Section B of Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*) and in Part 13 (*Unaudited Historical Financial Information of the Group for the three months ended 31 March 2020 and 2021*).

Consolidated Statement of Comprehensive Earnings/(Loss)

The following table presents our Consolidated Statement of Comprehensive Earnings/(Loss) for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of U.S.$)				
Revenues					
Revenue	571,701	694,848	1,424,111	226,321	635,792
Cost of Sales					
Operating expenses	(290,367)	(345,817)	(574,791)	(96,092)	(251,112)
Depreciation and depletion	(135,650)	(152,488)	(260,562)	(42,928)	(122,611)
Royalties	(34,307)	(40,558)	(98,722)	(15,119)	(44,366)
Earnings from mine operations	**111,377**	**155,985**	**490,036**	**72,182**	**217,703**
Corporate costs	(26,573)	(20,620)	(23,747)	(5,231)	(11,409)
Acquisition and restructuring costs	—	(4,552)	(39,845)	(4,330)	(12,160)
Impairment of mining interests	—	(127,380)	(64,506)	—	—
Share-based compensation	(24,931)	(21,042)	(18,767)	(1,623)	(7,955)
Exploration costs	(7,621)	(9,893)	(4,937)	(1,333)	(9,810)
Earnings/(loss) from operations	**52,252**	**(27,502)**	**338,234**	**59,665**	**176,369**
Other income/(expense)					
Gain/(loss) on financial instruments	10,654	(56,380)	(78,690)	(2,699)	42,077
Finance costs	(23,293)	(42,446)	(48,832)	(11,503)	(12,318)
Other income/(expense)	(241)	(8,515)	9,257	1,935	(6,290)
Earnings/(loss) before taxes	**39,372**	**(134,843)**	**219,969**	**47,398**	**199,838**
Current income tax expense	(63,588)	(46,745)	(122,594)	(19,006)	(72,148)
Deferred income tax (expense)/recovery	(170)	21,614	36,497	(907)	(8,688)
Net comprehensive (loss)/earnings from continuing operations	**(24,386)**	**(159,974)**	**133,872**	**27,485**	**119,002**
Net comprehensive (loss)/earnings from discontinued operations	(113,349)	18,814	(21,803)	7,978	(3,702)
Net comprehensive (loss)/earnings	**(137,735)**	**(141,160)**	**112,069**	**35,463**	**115,300**
Net (loss)/earnings from continuing operations attributed to:					
Shareholders of Endeavour Mining Corporation	(34,874)	(174,506)	95,030	19,366	94,735
Non-controlling interests	10,488	14,532	38,842	8,119	24,267
	(24,386)	(159,974)	133,872	27,485	119,002
Total net (loss)/earnings attributable to:					
Shareholders of Endeavour Mining Corporation	(144,856)	(163,718)	72,223	25,998	89,567
Non-controlling interests	7,121	22,558	39,846	9,465	25,733
	(137,735)	(141,160)	112,069	35,463	115,300
Net and comprehensive (loss)/earnings per share from continuing operations					
Basic (loss)/earnings per share	(0.32)	(1.59)	0.69	0.18	0.46
Diluted (loss)/earnings per share	(0.32)	(1.59)	0.69	0.18	0.45
(Loss)/earnings per share					
Basic (loss)/earnings per share	(1.34)	(1.49)	0.53	0.24	0.43
Diluted (loss)/earnings per share	(1.34)	(1.49)	0.53	0.24	0.43

Consolidated Statement of Financial Position

The following table presents our Consolidated Statement of Financial Position as at the dates indicated.

	As at 31 December			As at 31 March
	2018	2019	2020	2021
				(unaudited)
		(in thousands of U.S.$)		
Assets				
Current				
Cash and cash equivalents	124,022	189,889	644,970	868,195
Trade and other receivables	48,978	19,228	52,812	110,400
Inventories	126,353	168,379	190,017	355,066
Other financial assets	1,636	—	—	—
Prepaid expenses and other	16,478	17,318	25,544	41,927
Current assets excluding assets held for Sale	317,467	394,814	913,343	1,375,588
Assets held for sale	—	—	180,808	—
	317,467	**394,814**	**1,094,151**	**1,375,588**
Non-current				
Mining interests	1,543,842	1,410,289	2,566,098	5,090,940
Deferred tax assets	4,186	5,498	19,774	13,186
Other financial assets	24,311	25,045	25,980	82,933
Other assets	32,237	37,145	77,010	133,284
Goodwill	—	—	98,704	289,368
Total assets	**1,922,043**	**1,872,791**	**3,881,717**	**6,985,299**
Liabilities				
Current				
Trade and other payables	177,322	173,267	269,731	363,302
Finance and lease obligations	24,034	29,431	13,661	15,796
Other financial liabilities	—	10,349	—	11,972
Income taxes payable	47,064	54,968	150,459	292,229
Current liabilities excluding liabilities held for sale	248,420	268,015	433,851	683,299
Liabilities held for sale	—	—	112,796	—
	248,420	**268,015**	**546,647**	**683,299**
Non-current				
Finance and lease obligations	76,347	57,403	23,544	27,805
Long-term debt	542,248	638,980	688,266	1,044,806
Other financial liabilities	3,305	3,390	2,919	65,623
Environmental rehabilitation provision	38,572	38,521	78,011	127,930
Other long-term liabilities	—	—	—	12,384
Deferred tax liabilities	68,818	49,985	296,150	617,284
Total liabilities	**977,710**	**1,056,294**	**1,635,537**	**2,579,131**
Equity				
Share capital	1,743,661	1,774,172	3,043,766	4,947,920
Equity reserve	65,452	72,487	70,390	87,334
Deficit	(951,107)	(1,128,792)	(1,057,140)	(1,027,573)
Equity attributable to shareholders of the Corporation	858,006	717,867	2,057,016	4,007,681
Non-controlling interests	86,327	98,630	189,164	398,487
Total equity	**944,333**	**816,497**	**2,246,180**	**4,406,168**
Total equity and liabilities	**1,922,043**	**1,872,791**	**3,881,717**	**6,985,299**

Consolidated Statement of Cash Flows

The following table presents our Consolidated Statement of Cash Flows for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of U.S.$)				
Operating Activities					
Earnings/(loss) from continuing operations before taxes	**39,372**	**(134,843)**	**219,969**	**47,398**	**199,838**
Adjustments for:					
Depreciation and depletion	135,650	152,488	260,562	42,928	122,611
Finance costs	23,293	42,446	48,832	11,503	12,318
Share-based compensation	24,931	21,042	18,767	1,623	7,955
(Loss)/gain on financial instruments	(10,654)	56,380	78,690	2,699	(42,077)
Loss on disposal of assets	—	—	12,439	—	—
Impairment of mining interests	—	127,380	64,506	—	—
Cash paid on settlement of DSUs and PSUs	(8,355)	(1,125)	(1,881)	(214)	(13,857)
Income taxes paid	(19,406)	(61,704)	(56,598)	(8,524)	(23,574)
Cash received/(paid) on settlement of other financial assets/liabilities	5,795	(5,360)	(24,817)	(497)	—
Net non-cash adjustments	16,889	—	—	—	—
Foreign exchange (loss)/gain	(19,074)	(4,078)	8,195	(1,585)	2,040
Operating cash flows before changes in working capital	188,441	192,626	628,664	95,331	265,254
Trade and other receivables	(4,340)	21,191	4,122	(7,701)	(16,398)
Inventories	(15,392)	(14,213)	45,137	12,119	18,864
Prepaid expenses and other	5,506	(2,307)	(10,034)	(1,314)	(12,950)
Trade and other payables	22,470	8,234	42,674	1,466	(48,027)
Operating cash flows generated from continuing operations	196,685	205,531	710,563	99,901	206,743
Operating cash flows generated from discontinued operations	54,234	96,354	38,365	26,054	(8,808)
Cash generated from operating activities	**250,919**	**301,885**	**748,928**	**125,955**	**197,935**
Investing Activities					
Expenditures on mining interests	(374,317)	(208,184)	(235,855)	(48,382)	(113,696)
Cash paid for additional interest of Ity Mine	—	(453)	(5,430)	(5,430)	—
Cash acquired on acquisition of SEMAFO Inc.	—	—	92,981	—	—
Cash acquired on acquisition of Teranga	—	—	—	—	27,036
Changes in long-term assets	(43,570)	(16,525)	(7,290)	2,223	(13,650)
Proceeds from sale of assets	33,179	3,875	10,292	—	—
Net proceeds from sale of mining interests	—	—	—	—	(4,714)
Investing cash flows used by continuing operations	(384,708)	(221,287)	(145,302)	(51,589)	(105,024)
Investing cash flows used by discontinued operations	(68,611)	(30,239)	(14,809)	(5,645)	(249)
Cash used in investing activities	**(453,319)**	**(251,526)**	**(160,111)**	**(57,234)**	**(105,273)**
Financing Activities					
Proceeds received from the issue of common shares	600	292	100,000	—	199,988
Dividends paid to non-controlling interest	—	(1,090)	(8,592)	—	(60,000)
Payment of financing fees and other	(2,300)	(2,165)	(6,933)	(347)	(7,088)
Interest paid	(24,259)	(33,033)	(33,654)	(10,571)	(9,293)
Proceeds of long-term debt	210,000	80,000	120,000	120,000	490,000
Repayment of long-term debt	(280,000)	—	(150,000)	—	(443,042)
Proceeds from convertible senior bond	330,000	—	—	—	—

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of U.S.$)				
Repayment of finance and lease obligation	(21,203)	(22,229)	(82,692)	(9,153)	(10,783)
Change in reclamation liability bonds	(157)	—	—	—	—
Settlement of gold offtake liability	—	—	—	—	(49,735)
Financing cash flows generated from (used by) continuing operations	212,681	21,775	(61,871)	99,929	110,047
Financing cash flows used by discontinued operations	(8,214)	(6,651)	(8,843)	(335)	(45,434)
Cash generated from (used by) financing activities	**204,467**	**15,124**	**(70,714)**	**99,954**	**64,613**
Effect of exchange rate changes on cash	(748)	384	6,683	(861)	(3,755)
Increase in cash and cash equivalents	1,320	65,867	524,786	167,454	153,520
Cash and cash equivalents, beginning of period[1]	122,702	124,022	189,889	189,889	644,970
Cash and cash equivalents, end of period	**124,022**	**189,889**	**714,675**	**357,343**	**868,195**
Less: Cash relating to assets held for sale	—	—	(69,705)	—	—
Cash and cash equivalents, end of period	**124,022**	**189,889**	**644,970**	**357,343**	**868,195**

Note:

(1) With respect to the three months ended 31 March 2021, cash and cash equivalents at the beginning of the period excludes U.S.$69.7 million in cash relating to assets held for sale.

Other Financial and Operating Data

The following table presents information on our other financial and operating data for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of $, unless otherwise indicated)				
Operating data from continuing operations					
Gold produced (oz)	612,118	512,978	802,971	144,433	334,262
Gold sold (oz)	469,544	511,749	808,806	147,131	363,518
Realised gold price ($/oz)[1]	1,218	1,358	1,761	1,538	1,749
All-in sustaining costs ($/oz)[2]	719	824	853	890	858
Cash costs per gold ounce sold ($/oz)[3]	550	732	749	762	751
All-in sustaining margin[4]	234,059	273,311	733,866	95,392	323,875
EBITDA[5]	198,225	60,091	529,363	101,829	334,767
Adjusted EBITDA[6]	187,812	256,918	703,147	106,923	311,140
Net (Cash)/Debt[7]	536,359	528,192	(74,675)	472,654	161,805
Net (Cash)/Debt/Adjusted EBITDA ratio[8]	1.97	1.48	(0.09)	1.06	0.16

Notes:

(1) The realised price is the realised average gold price received for all ounces. The realised price is calculated before royalties but inclusive of the stream to Franco-Nevada and Sandstorm.

(2) All-in sustaining costs is defined as cash costs plus sustaining capital expenditures, exploration costs and general and administrative expenses. See *All-In Sustaining Costs* reconciliation table.

(3) Cash costs per gold ounce sold is defined as cash costs divided by ounces of gold sold. See *Cash Costs* reconciliation table.

(4) All-in sustaining margin is defined as revenues less total cash costs, corporate general and administrative expenses, sustaining capital expenditures and sustaining exploration costs. See *All-In Sustaining Margin* reconciliation table.

(5) EBITDA is defined as earnings/(loss) before taxes plus depreciation and depletion and finance costs.

(6) Adjusted EBITDA is defined as earnings/(loss) before taxes plus depreciation and depletion, impairment charge of mining interests, acquisition and restructuring costs, other expense/(income), finance costs and (gain)/loss on financial instruments

(7) Net(Cash)/Debt is calculated as nominal undiscounted debt including leases (but excluding liabilities recognised on the adoption of IFRS 16), less cash. See *Net Cash/(Debt) and Net Debt/Adjusted EBITDA ratio* reconciliation table.

(8) Net (Cash)/Debt/Adjusted EBITDA ratio is calculated as nominal undiscounted debt including leases, less cash. Adjusted EBITDA used in the calculation is the trailing twelve months preceding the balance sheet date. See *Net Cash/(Debt) and Net Debt/Adjusted EBITDA ratio* reconciliation table.

All-In Sustaining Margin

The following table provides a reconciliation from Revenues to All-in sustaining margin from continuing operations for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of $)				
Revenues	571,701	694,848	1,424,111	226,321	635,792
Less: Total cash costs	(292,433)	(374,356)	(605,556)	(112,162)	(272,911)
Less: Corporate G&A[(1)]	(26,573)	(20,620)	(23,747)	(5,231)	(11,409)
Less: Sustaining capital	(12,613)	(26,561)	(60,942)	(13,536)	(27,597)
Less: Sustaining exploration	(6,022)	—	—	—	
All-in sustaining margin from continuing operations	**234,059**	**273,111**	**733,866**	**95,392**	**323,875**

Note:

(1) Corporate G&A costs included in all calculations for all-in sustaining margin and all-in sustaining cost exclude acquisition and restructuring costs for the periods presented.

EBITDA and Adjusted EBITDA

The following table provides a reconciliation from earnings/(loss) before tax to adjusted EBITDA for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of $)				
Earnings/(Loss) before taxes	39,372	(134,843)	219,969	47,398	199,838
Add back: Depreciation and depletion	135,560	152,488	260,562	42,928	122,611
Add back: Finance costs	23,293	42,446	48,832	11,503	12,318
EBITDA	198,225	60,091	529,363	101,829	334,767
Add back: Impairment charge of mining interests	—	127,380	64,506	—	—
Add back: Acquisition and restructuring costs	—	4,552	39,845	4,330	12,160
Add back: Other expense/(income)	241	8,515	(9,257)	(1,935)	6,290
Add back: (Gain)/loss on financial instruments	(10,654)	56,380	78,690	2,699	(42,077)
Adjusted EBITDA	187,812	256,918	703,147	106,923	311,140

Cash Costs

The following table provides a reconciliation from operating expenses from mine operations to total cash cost per ounce of gold sold from continuing operations for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
			(in thousands of $)		
Operating expenses from mine operations	(290,367)	(345,817)	(574,791)	(96,092)	(251,112)
Royalties	(34,307)	(40,558)	(98,722)	(15,119)	(44,366)
Non-cash and other adjustments	32,241	12,019	44,567	(951)	22,576
Cash costs from continuing operations	**(292,433)**	**(374,356)**	**(605,556)**	**(112,162)**	**(272,911)**
Gold ounces sold	469,544	511,749	808,806	147,131	363,518
Total cash cost per gold ounce sold	**623**	**732**	**749**	**762**	**751**

All-In Sustaining Costs

The following table provides a reconciliation from total cash cost for ounces sold to all-in sustaining costs per ounce sold from continuing operations for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
			(in thousands of $)		
Total cash cost for ounces sold	(292,433)	(374,356)	(605,556)	(112,162)	(272,911)
Corporate G&A	(26,573)	(20,620)	(23,747)	(5,231)	(11,409)
Sustaining capital	(12,613)	(26,561)	(60,942)	(13,536)	(27,597)
All-in sustaining costs	**(337,642)**	**(421,537)**	**(690,245)**	**(130,929)**	**(311,917)**
Gold ounces sold	469,544	511,749	808,806	147,131	363,518
All-in sustaining cost per ounce sold	**719**	**824**	**853**	**890**	**858**

Sustaining Capital Expenditures

The following table provides a reconciliation from expenditures on mining interests to sustaining capital for the periods indicated for all operations.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
			(in thousands of $)		
Expenditures on mining interests	477,041	233,439	249,716	53,952	118,880
Non-sustaining capital expenditures	(45,693)	(57,343)	(105,254)	(17,720)	(56,846)
Non-sustaining exploration	(31,442)	(39,210)	(63,340)	(15,147)	(6,274)
Sustaining exploration	(6,022)	—	—	—	—
Growth projects	(381,271)	(94,084)	(7,701)	(2,113)	(27,940)
Sustaining Capital	**12,613**	**42,802**	**73,421**	**18,972**	**27,820**

Net Cash/(Debt) and Net Debt/Adjusted EBITDA Ratio

The following table provides a reconciliation from cash and cash equivalents to Net Cash/(Debt) and Net Debt/Adjusted EBITDA ratio as at the dates indicated.

	As at 31 December			As at 31 March
	2018	2019	2020	2021
				(unaudited)
		(in thousands of $)		
Cash and cash equivalents	124,022	189,889	644,970	868,195
Cash included in assets held for sale	—	—	69,705	—
Less: Equipment finance obligation	(100,381)	(78,081)	—	—
Less: Convertible senior bond[1]	(330,000)	(330,000)	(330,000)	(330,000)
Less: Drawn portion of $430 million RCF[2]	(230,000)	(310,000)	(310,000)	(430,000)
Less: Drawn portion of bridge facility	—	—	—	(370,000)
Net (Cash)/Debt	536,359	528,192	(74,675)	161,805
Net (Cash)/Debt/Adjusted EBITDA ratio	**1.97**	**1.48**	**(0.09)**	**0.16**

Notes:

(1) Represents the principal of the convertible senior bond.

(2) Before deferred financing costs.

PART 10
OPERATING AND FINANCIAL REVIEW

This Part 10 (Operating and Financial Review) should be read in conjunction with Part 2 (Presentation of Financial and Other Information), Part 5 (Industry Overview), Part 7 (Business Description) and Part 12 (Historical Financial Information of the Group for the three years ended 31 December 2020). Prospective investors should read the entire document and not just rely on the summary set out below. The financial information considered in this Part 10 (Operating and Financial Review) is extracted from the financial information set out in Part 12 (Historical Financial Information of the Group for the three years ended 31 December 2020) and Part 13 (Unaudited Historical Financial Information of the Group for the three months ended 31 March 2020 and 2021).

The following discussion of the Company's results of operations and financial condition contains forward-looking statements. The Company's actual results could differ materially from those that it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus, particularly under Part 1 (Risk Factors) and Part 2 (Presentation of Financial and Other Information). In addition, certain industry issues also affect the Company's results of operations and are described in Part 5 (Industry Overview).

Overview

We are a multi-asset gold producer focused on West Africa. Our assets include the Ity Mine in Côte d'Ivoire, the Boungou, Houndé, Karma, Mana and Wahgnion Mines in Burkina Faso, and the Sabodala-Massawa Mine in Senegal. We also have four development projects, Fetekro, Kalana, Bantou and Nabanga and a strong portfolio of exploration assets on the highly prospective Birimian Greenstone Belt across Burkina Faso, Côte d'Ivoire, Mali, Senegal, Niger and Guinea. With our technical and management teams based in proximity to our mines and our senior management team spending significant time in the countries in which we operate, we have established a proven track record of successful exploration, project development and operational management in the Birimian Greenstone Belt. Over the last five years, we have strategically repositioned ourselves as a leading West African gold producer, and have reshaped our asset portfolio, through both organic development and through acquisitions and disposals. In July 2020, we completed the acquisition of SEMAFO, which added the Boungou and Mana mines to our portfolio. In February 2021, we completed the acquisition of Teranga, adding the Sabodala-Massawa and Wahgnion mines to our portfolio.

Our management approach remains focused on applying our proven technical and operational skill set to generate strong cash flows from our low-cost, high-margin producing mines, and to successfully deliver our development projects as part of our pursuit of organic growth.

We operate in Burkina Faso, Côte d'Ivoire, Mali and Senegal, which are part of the West African Economic and Monetary Union ("**UEMOA**"). The UEMOA has a common central bank for the eight Francophone nations within the union, as well as a common currency, the Franc CFA, which is pegged to the Euro. The fiscal and monetary policies tend to be aligned with guidance from the IMF and the states within the union have undergone democratic elections in the past decade and are closely monitored by the IMF. The mining codes in West Africa are very similar to those in developed countries and there are standard tax principles in the region in which we operate.

We are a diversified gold producer, with numerous open pit and underground ore sources at seven different mines across three countries in West Africa. As one of a limited number of gold producers that operate regionally in West Africa, our geographic diversity mitigates our exposure to certain risks related to concentration in one country, such as exposure to political and regulatory circumstances in the countries in which we operate. Our West African focused production profile also allows us to benefit from operational synergies. Given the relative proximity of many of our mines and development projects, we are able to share technical and management skills across our operations, optimise joint purchasing, coordinate inventory management and easily access our assets from our regional operations headquarters in Abidjan, Côte d'Ivoire. Additionally, all our operating mines, projects and exploration targets are located within the Birimian Greenstone Belt, an area of highly prospective geology in West Africa, having significant exploration and production potential.

We also have an extensive portfolio of greenfield exploration targets in a range of strategic locations, which complement our existing asset and project base. We take a conservative approach to exploration, using strategic prioritisation criteria followed by the oil and gas industry. Through our successful exploration programmes, we are on track to meet five-year exploration targets of 10-15 million ounces by 2021, with approximately 8.4 million ounces of new indicated resources discovered as of 31 December 2020.

In the years ended 31 December 2018, 2019 and 2020, we achieved gold production from our continuing operations of 471,000, 513,000 and 803,000 ounces, respectively, at an AISC of U.S.$843, U.S.$824 and U.S.$853 per ounce, respectively. For the years ended 31 December 2018, 2019 and 2020, our revenue and Adjusted EBITDA from continuing operations were U.S.$572 million and U.S.$188 million, U.S.$695 million and U.S.$257 million, and U.S.$1,424 million and U.S.$703 million, respectively. As at 31 December 2020, we had proven and probable Mineral Reserves totalling approximately 18 million ounces on a 100 per cent. basis.

Significant factors affecting results of operations

Gold market

The demand for gold is primarily for jewellery fabrication purposes and bullion investment. Gold is traded on a worldwide basis. The use of gold as a store of value (the tendency of gold to retain its value in relative terms against basic goods and in times of inflation and monetary crisis) and the large quantities of gold held for this purpose in relation to annual mine production has meant that historically the potential total supply of gold has been far greater than demand. Thus, while current supply and demand plays some part in determining the price of gold, this does not occur to the same extent as for other commodities.

Gold prices are significantly affected by macro-economic factors such as expectations of inflation, interest rates, exchange rates, changes in reserve policy by central banks and global or regional political and economic crises. Due to these factors, the gold price fluctuates continually, and such fluctuations are beyond our control. Our revenue is generated exclusively from the sale of gold.

The market price for gold has been and continues to be volatile. During 2018, the market spot gold price traded from a high of U.S.$1,360 per ounce in January 2018 to a low of U.S.$1,177 per ounce in September 2018, with the price never trading above U.S.$1,300 per ounce after mid-May. In 2019, the market spot gold price traded from a low of U.S.$1,270 per ounce to a high of U.S.$1,552 per ounce. In 2020, the market spot gold price traded between a low of U.S.$1,472 per ounce in March 2020 and a high of U.S.$2,067 per ounce in August. In addition to protracted declines, such as the one experienced from 2011 through 2015, the price of gold is also often subject to sharp, often counterintuitive, short-term changes. For example, at the onset of the global COVID-19 crisis in March 2020, the gold price fell from U.S.$1,684 per ounce on 6 March to the year low of U.S.$1,472 on 17 March, despite the traditional investor perception of gold as a relatively safe haven in periods of overall market volatility. The overall increase in the price of gold contributed to the increase in revenue in the years ended 31 December 2018, 2019 and 2020. However, in the year ended 31 December 2020, we also realised a loss of U.S.$21.2 million on the fair value change of our gold hedges due to the volatility in the gold price.

The following table presents information on gold prices for the periods indicated.

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
			($/oz)		
Average market gold price ($/oz)[1]	1,269	1,393	1,771	1,593	1,794
Realised gold price ($/oz)[2]	1,218	1,358	1,761	1,538	1,772
Closing market gold price ($/oz)[3]	1,282	1,517	1,898	1,577	1,691

Notes:

(1) Reflects the average market gold price from Bloomberg Composite (London).

(2) The realised gold price is the realised average gold price received for all ounces sold.

(3) Reflects the closing market gold price from Bloomberg Composite (London) as of December 31 or the last trading day of the respective periods.

Global economic conditions

Recent global economic conditions have affected gold prices, interest rates, currency rates and costs. The global financial market crisis and the ongoing instability in certain economies during the past few years have affected the volatility of gold prices, oil prices, other commodity prices, foreign exchange rates and the cost and time value of money. These factors, in turn, affect our results of operations.

In particular, the rapid, global spread of COVID-19 and its variants has adversely affected the global economy and has resulted in significant volatility in financial markets, as well as volatility in the price of and the demand for gold, and has reintroduced risks relating to quantitative easing, monetary accommodation and fiscal discipline. Furthermore, the global response to the COVID-19 pandemic has resulted in, among other things,

border closures, severe travel restrictions, as well as quarantine, self-isolation and other emergency measures imposed by various governments. Additional government or regulatory actions or inactions around the world in jurisdictions where we operate may have potentially significant economic and social impacts. The COVID-19 virus and efforts to contain it may also have a significant effect on commodity prices, and the possibility of a prolonged global economic downturn may further impact commodity demand and prices.

Operating and capital costs

Our results of operations are affected by our ability to control operating costs. The operating cost structure of each mine is based on the location, grade and nature of the ore body, and the management skills at each site, as well as the costs of key inputs such as fuel, electricity, skilled labour and mining services, tires for mining equipment, and other supplies. If such inputs or supplies become unavailable or their cost increases, our results of operations will be negatively impacted. The key cost drivers affecting operating expenses include the characteristics of the ore deposits, the depth of the pits mined, the location of the pit relative to the processing facility, the stripping ratio, as well as the prices of key production costs such as fuel, reagents and steel balls.

In open pit mining operations, it is necessary to incur stripping costs to remove overburden and other mine waste materials in order to access the ore body. During the development of a mine, stripping costs are capitalised and included in the carrying amount of the related mining property. During the production phase of a mine, stripping costs will be recognised as an asset only if certain conditions are met. Stripping costs incurred and capitalised during the development and production phase are depleted using the unit-of-production method over the reserves and, in some cases, a portion of resources that directly benefit from the specific stripping activity. Costs incurred for regular waste removal that do not give rise to future economic benefits are considered as costs of sales and included in operating expenses.

Our mining and processing activities also require access to and use of specialised equipment and adequate infrastructure. Incurring significant capital costs to acquire, develop or maintain, or interruptions to the availability or procurement of, necessary equipment and infrastructure also negatively impact our results of operations, particularly given the remote location of our operations.

An example of our successful management of operating costs is our consolidation of our corporate offices in Vancouver and Paris to a single office in London.

Production levels

Our results of operations are also affected by the level of production activity at each of our mines and the grade of ore extracted. The level of production activity at a mine can be affected by both planned and unexpected events. Planned events include where a particular mine is in the planned sequence of extraction, the timing of the implementation of planned upgrades to equipment and facilities and the timing of scheduled maintenance. For example, production at Karma Mine increased in the year ended 31 December 2018, despite a lower process grade, due to the successful commissioning of the redesigned front-end crushing circuit and other plant optimisation activities completed in Q4 2017. Additionally, production increased at Ity in the year ended 31 December 2020 as the processing plant was operational for the full year after commercial production began in April 2019.

Production activity can also be affected by unexpected events such as difficulties encountered during drilling and blasting or unusual or severe weather activity, particularly rainfall patterns, and equipment failures. For example, total tonnes mined at Sabodala-Massawa were nine per cent. lower in 2019 than in 2018, primarily due to lower than expected drill fleet performance and mechanical availability during the first half of 2019, which resulted in the prioritisation of higher grade, lower stripping mining areas. In addition, ore tonnes milled at the Sabodala-Massawa Mine decreased by four per cent. in 2018 from 2017 due in part to the impact of increased rainfall on the crushing circuit during Q3 2018.

The grade of ore, which is the quantity of gold per unit of host rock which can be mined and recovered at a profit, has a direct impact on our production volumes and is often not constant throughout the ore body. We endeavour to maintain a predictable mined grade with mine planning and scheduling, but inevitably there will be times when the grade will vary. Reasons for grade variation for an underground ore body may include spatial grade changes throughout the ore body and, with a top-down mining method such as sub-level caving, there is likely to be a variation in mined grade over the life of the operation. This variation in mined grade may lead to a commensurate variation in gold production and, consequently, impact our results.

Acquisitions and divestments

We seek out and pursue selective acquisition opportunities which would enable us to continue growing our gold production, extend our average mine life and lower our average costs. Our results may be positively affected by successful acquisitions and/or divestments. The comparability of our results, including our results during the periods under review, may also be impacted by acquisitions and/or divestments. We may, however, direct significant resources to identifying and evaluating potential acquisition opportunities, without any assurance that an acquisition will be completed successfully. To the extent that the purchase price for any acquisition is paid in cash, such acquisition would affect our liquidity and cash position in the relevant period.

On 1 July 2020, we completed the acquisition of SEMAFO, a gold mining company listed on the TSX with two operating mines in West Africa: the Mana and Boungou mines in Burkina Faso. The acquisition of SEMAFO supported our growth strategy and enhanced our production profile.

On 10 February 2021, we completed our acquisition of Teranga Gold Corporation. Through the acquisition, we added the Wahgnion Mine in Burkina Faso and the Sabodala-Massawa Mine in Senegal to our portfolio.

The completion of the SEMAFO and Teranga acquisitions in 2020 and 2021, respectively, have impacted the comparability of our results of operations for the year ended 31 December 2020 and for the three months ended 31 March 2021, respectively, as compared to our results of operations for the years ended 31 December 2018 and 2019 and for the three months ended 31 March 2020, respectively.

In addition, we have undertaken a number of significant divestments in recent years, including several that were entered into for the purpose of actively restructuring the Group in order to improve our portfolio and focus our efforts on high margin, long-life core assets. For example, on 21 January 2021, we announced the sale of our non-core Agbaou Mine in Côte d'Ivoire to Allied Gold Corp. We completed the transaction on 1 March 2021, selling our 85 per cent. interest in the mine for a consideration of up to U.S.$80 million, with further upside through its equity exposure and a net smelter return royalty. Consequently, our results of operations for the current and comparative periods have been restated to reclassify the earnings relating to the Agbaou Mine as earnings from discontinued operations. All assets and liabilities relating to the Agbaou mine have been classified as current assets/liabilities held for sale at 31 December 2020.

The mining industry is competitive, particularly in the acquisition of Mineral Reserves and Mineral Resources. Our continued growth relies on the organic growth and development of gold projects, as well as strategic acquisitions. Although we have acquired and developed such assets in the past, there can be no assurance that our acquisition or development efforts will succeed in the future.

Recent Developments

In response to the COVID-19 pandemic, we have implemented a number of health and safety measures designed to protect employees at our operations around the world. For additional information on these measures, see "*Business Description—COVID-19 Impact*".

During the year ended 31 December 2020, our operations were not significantly impacted by the COVID-19 pandemic; however, we continue to monitor the situation as the pandemic has continued into 2021. We spent approximately U.S.$7.7 million in connection with COVID-19 expenses in the year ended 31 December 2020, which were primarily related to travel and quarantine costs, medical and PPE supplies and other costs. While our financial position, performance and cash flows could be negatively impacted, the extent of any additional impact cannot be reasonably estimated at this time. We continue to monitor and assess the short- and medium-term impacts of COVID-19, including, for example, supply chain, mobility, workforce, market and trade flow impacts, as well as the resilience of Canadian, West African, and other global financial markets to support recovery. Any longer-term impacts are also being considered and monitored, as appropriate. However, the pandemic continues to evolve rapidly, and its effects on our own operations are uncertain and difficult to predict.

We have also completed two significant acquisitions and divestments recently. On 10 February 2021, we completed our acquisition of Teranga Gold Corporation, through which we added the Wahgnion Mine in Burkina Faso and the Sabodala-Massawa Mine in Senegal to our portfolio. On 22 January 2021, we announced the sale of our non-core Agbaou Mine in Côte d'Ivoire to Allied Gold Corp as described above.

In February 2021, we completed a positive PFS for both our Fetekro Project in Côte d'Ivoire and Kalana Project in Mali as part of our focus on organic growth opportunities. The results of the PFS confirmed that both projects justify moving forward independently to the DFS stage, which will now commence. At Fetekro, our exploration efforts resulted in the discovery of a project with the potential to become a cornerstone mine with

annual production of over 200,000 ounces over at least 10 years, with an AISC over the life of the mine of less than U.S.$850/oz. At Kalana, we have outlined a project with annual production of 150,000 ounces over an expected 11-year mine life, with an average AISC over the life of the mine of approximately U.S.$900/oz.

From a broader ESG standpoint, in accordance with our aim to reduce our carbon footprint, both projects have low forecast emissions intensity in line with our current operations. In addition, the two projects present an opportunity to benefit from renewable energy, either in the form of a solar plant at Fetekro or from the Malian grid for Kalana, a significant portion of which is powered by renewables.

In April 2021, Old EDV implemented a share buyback programme by way of a Normal Course Issuer Bid ("**NCIB**") as part of Old EDV's shareholder returns programme. Old EDV filed and received approval from the TSX to implement an NCIB. Pursuant to the terms of the NCIB, Old EDV (and, following the Scheme Effective Time, New EDV) can repurchase up to 5 per cent. of issued and outstanding ordinary shares until the NCIB's expiry of 21 March 2022. New EDV plans to renew the NCIB upon its expiry.

Explanation of key income statement items

Revenue

Revenue is earned through sales of gold to third parties and the average realised sales price per ounce sold is related to the spot price of gold.

Operating expenses

Operating expenses includes the compensation payable to employees, costs incurred in the production process, costs of materials consumed in the mining and processing stages and movements of inventories, including stockpiles, gold in circuit and finished goods. There is possible volatility in operating expenses due to foreign exchange effects and inflationary pressures, as well as the supply and demand of key inputs. We carry inventory at the weighted average cost of production, calculated at various stages of the production process.

Depletion and depreciation

The carrying amounts of mining properties are depleted using the unit-of-production method over the estimated recoverable ounces, when operating levels intended by management for the mining properties have been reached. Under this method, depletable costs are multiplied by the number of ounces extracted divided by the estimated total ounces to be extracted in current and future periods based on proven and probable Mineral Reserves and a portion of Mineral Resources.

Corporate costs

Corporate costs include corporate compensation, directors' fees, corporate expenses, including office rent, consultant and advisor fees not directly attributable to operations, certain insurance costs and travel expenses.

Impairments of mining interests

At each reporting date, we review the carrying amounts of our mining interests to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of an impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Income and deferred taxes

We use the liability method of accounting for income and mining taxes. Under the liability method, deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for unused tax losses and other income tax deductions.

Results of Operations

Three Months Ended 31 March 2021 Compared to Three Months Ended 31 March 2020

	For the three months ended 31 March	
	2020	2021
	(unaudited) (in thousands of U.S.$)	
Revenues		
Revenue	226,321	635,792
Cost of sales		
Operating expenses	(96,092)	(251,112)
Depreciation and depletion	(42,928)	(122,611)
Royalties	(15,119)	(44,366)
Earnings from mine operations	**72,182**	**217,703**
Corporate costs	(5,231)	(11,409)
Acquisition and restructuring costs	(4,330)	(12,160)
Share-based compensation	(1,623)	(7,955)
Exploration costs	(1,333)	(9,810)
Earnings/(loss) from operations	**59,665**	**176,369**
Gain/(loss) on financial instruments	(2,699)	42,077
Finance costs	(11,503)	(12,318)
Other income/(expense)	1,935	(6,290)
Earnings/(loss) before taxes	**47,398**	**199,838**
Current income tax expense	(19,006)	(72,148)
Deferred income tax (expense)/recovery	(907)	(8,688)
Net (loss)/earnings from discontinued operations	7,978	(3,702)
Net comprehensive (loss)/earnings	**35,463**	**115,300**

Revenues

Revenues increased by U.S.$409.5 million, or 180.9 per cent., from U.S.$226.3 million for the three months ended 31 March 2020 to U.S.$635.8 million for the three months ended 31 March 2021. The increase was primarily due to the additional revenue of U.S.$350.3 million as a result of the inclusion in our portfolio of the Mana and Boungou operating mines, as well as the Wahgnion and Sabodala-Massawa operating mines (the latter two from 10 February 2021). In addition, both the Ity and Houndé operating mines sold more ounces in the three months ended 31 March 2021 compared to the same period in the prior year with increases of 10,969 ounces and 10,360 ounces, respectively. Total gold ounces sold increased from 147,131ounces in the three months ended 31 March 2020 to 363,518 ounces for the three months ended 31 March 2021. The increase in revenues is also the result of the increase in the realised price of gold per ounce in the three months ended 31 March 2021 increasing to U.S.$1,749 per ounce from U.S.$1,538 per ounce in in the same period in the prior year.

Operating expenses

Operating expenses increased by U.S.$155.0 million, or 161.3 per cent., from U.S.$96.1 million for the three months ended 31 March 2020 to U.S.$251.1 million for the three months ended 31 March 2021. The increase was primarily due to the inclusion in our portfolio of the Mana and Boungou operating mines, as well as the Wahgnion and Sabodala-Massawa operating mines (the latter two from 10 February 2021). The operating expenses at the Ity operating mine increased by U.S.$10.9 million as a result of the increased production in the period, as well as increased processing costs due to a higher proportion of fresh ore being processed. The operating expenses at the Houndé mine were relatively consistent with the same quarter in the prior year, even with the increase in the ounces produced, due to a lower strip ratio, and the processing of higher grades material in the quarter.

Depreciation and depletion

Depreciation and depletion increased by U.S.$79.7 million, or 185.6 per cent., from U.S.$42.9 million for three months ended 31 March 2020 to U.S.$122.6 million for the three months ended 31 March 2021. The increase was primarily due to a higher depreciation charge reflecting the inclusion in our portfolio of the Mana and

Boungou operating mines, as well as the Wahgnion and Sabodala-Massawa operating mines (the latter two from 10 February 2021), as well as the increased production at the Group's other operating mines.

Royalties

Royalties increased by U.S.$29.2 million, or 193.4 per cent., from U.S.$15.1 million for the three months ended 31 March 2020 to U.S.$44.4 million for the three months ended 31 March 2021. The increase reflected royalties paid in respect of sales from the Mana and Boungou operating mines, as well as the Wahgnion and Sabodala-Massawa operating mines (the latter two from 10 February 2021), increased sales at the Group's Ity and Houndé mines, as well as the impact of higher gold prices relative to the same period in the prior year.

Earnings from mine operations

Earnings from mine operations increased by U.S.$145.5 million, or 201.6 per cent., from U.S.$72.2 million for the three months ended 31 March 2020 to U.S.$217.7 million for the three months ended 31 March 2021 and reflect the increase in overall production as a result of the addition of the Mana and Boungou operating mines, as well as the Wahgnion and Sabodala-Massawa operating mines (the latter two from 10 February 2021), and higher realised gold prices as discussed above.

Corporate costs

Corporate costs increased by 118.1 per cent. from U.S.$5.2 million for the three months ended 31 March 2020 to U.S.$11.4 million for the three months ended 31 March 2021. The increase primarily reflected additional corporate costs, including personnel costs, following the acquisitions of SEMAFO and Teranga.

Acquisition and restructuring costs

Acquisition and restructuring costs were U.S.$4.3 million for the three months ended 31 March 2020, related to advisory fees for the SEMAFO acquisition, as well as the previous engagement with the board of Centamin plc, compared to acquisition and restructuring costs of U.S.$12.2 million for the three months ended 31 March 2021, related to the costs related to the closing of the acquisition of Teranga in the period.

Financial instrument gains and losses

Gains on financial instruments were U.S.$42.1 million for the three months ended 31 March 2021, compared to losses on financial instruments of U.S.$2.7 million for the three months ended 31 March 2020, mainly due to an increased unrealised gain on the conversion option related to our Convertible Senior Notes (as defined below) for the three months ended 31 March 2021 as compared to the corresponding period in the previous year.

Current income tax expense

Current income taxes increased by U.S.$53.1 million, or 279.6 per cent., from U.S.$19.0 million for the three months ended 31 March 2020 to U.S.$72.1 million for the three months ended 31 March 2021. The increase was mainly due to the higher earnings in the current quarter, from the increased revenues and the impact of higher realised gold prices.

Deferred income tax (expense)/recovery

Deferred income tax expense was U.S.$8.7 million for the three months ended 31 March 2021 compared to an expense of U.S.$0.9 million for the same period in the prior year, primarily associated with Ity and Mana Mines.

Year Ended 31 December 2020 Compared to Year Ended 31 December 2019

	For the year ended 31 December	
	2019	2020
	(in thousands of U.S.$)	
Revenues		
Revenue	694,848	1,424,111
Cost of sales		
Operating expenses	(345,817)	(574,791)
Depreciation and depletion	(152,488)	(260,562)
Royalties	(40,558)	(98,722)
Earnings from mine operations	**155,985**	**490,036**
Corporate costs	(20,620)	(23,747)
Acquisition and restructuring costs	(4,552)	(39,845)
Impairment of mining interests	(127,380)	(64,506)
Share-based compensation	(21,042)	(18,767)
Exploration costs	(9,893)	(4,937)
Earnings/(loss) from operations	**(27,502)**	**338,234**
Gain/(loss) on financial instruments	(56,380)	(78,690)
Finance costs	(42,446)	(48,832)
Other income/(expense)	(8,515)	9,257
Earnings/(loss) before taxes	**(134,843)**	**219,969**
Current income tax expense	(46,745)	(122,594)
Deferred income tax (expense)/recovery	21,614	36,497
Net (loss)/earnings from discontinued operations	18,814	(21,803)
Net comprehensive (loss)/earnings	**(141,160)**	**112,069**

Revenues

Revenues increased by U.S.$729.3 million, or 105.0 per cent., from U.S.$694.8 million for the year ended 31 December 2019 to U.S.$1,424.1 million for the year ended 31 December 2020. The increase was primarily due to the additional revenue as a result of the inclusion of the Mana and Boungou operating mines in our portfolio from the third quarter of 2020, as well as a favourable impact from higher realised gold prices and increased ounces sold. Gold ounces sold increased from 511,749 ounces in the year ended 31 December 2019 to 808,806 ounces for the year ended 31 December 2020. The realised price of gold per ounce for the year ended 31 December 2020 was U.S.$1,761 compared to U.S.$1,358 per ounce in the prior year. The additional ounces sold in the year ended 31 December 2020 from our four legacy mines favourably impacted revenue by U.S.$101.2 million.

Operating expenses

Operating expenses increased by U.S.$229.0 million, or 66.2 per cent., from U.S.$345.8 million for the year ended 31 December 2019 to U.S.$574.8 million for the year ended 31 December 2020. The increase was primarily due to the inclusion of the Mana and Boungou mines in our portfolio from the third quarter of 2020. Mana and Boungou had operating costs of U.S.$86.2 million and U.S.$89.1 million, respectively for the year ended 31 December 2020, from the date of acquisition to 31 December 2020. Operating expenses at the Ity Mine increased by U.S.$31.1 million in the year ended 31 December 2020 due to increased production, while the Karma Mine's operating expenses increased by U.S.$20.7 million during the same period due to higher unit mining costs. However, the increase in operating expenses for the year ended 31 December 2020 was partially offset by a decrease at the Houndé Mine due to a reduction in non-cash operating expenses.

Depreciation and depletion

Depreciation and depletion increased by U.S.$108.1 million, or 70.9 per cent., from U.S.$152.5 million for the year ended 31 December 2019 to U.S.$260.6 million for the year ended 31 December 2020. The increase was primarily due to a higher depreciation charge with the inclusion of the Mana and Boungou mines from the third quarter of 2020, as well as increased depreciation at the Ity Mine on a full-year basis for 2020 after commencing commercial production in the second quarter of 2019.

Royalties

Royalties increased by U.S.$58.2 million, or 143.4 per cent., from U.S.$40.6 million for the year ended 31 December 2019 to U.S.$98.7 million for the year ended 31 December 2020. The increase in royalties expenses was due to the impact of including the Mana and Boungou mines, as well as the higher realised gold price, which increased the underlying royalty rate based on the applicable sliding scale (in Burkina Faso, a spot price of gold above U.S.$1,300 per ounce increases the government royalty rates from 4.0 per cent. to 5.0 per cent., and in Côte d'Ivoire, a spot price of gold above U.S.$1,600 per ounce increases the royalty rates from 4.0 per cent. to 5.0 per cent.).

Earnings from mine operations

Earnings from mine operations increased by U.S.$334.1 million, or 214.2 per cent., from U.S.$156.0 million for the year ended 31 December 2019 to U.S.$490.0 million for the year ended 31 December 2020, primarily due to an increase in overall production and higher realised gold prices as discussed above.

Corporate costs

Corporate costs increased by 15.0 per cent. from U.S.$20.6 million for the year ended 31 December 2019 to U.S.$23.7 million for the year ended 31 December 2020. The increase in corporate costs is mainly due to costs associated with the integration of the SEMAFO head office, which was effective 1 July 2020. The increase in corporate costs is reflective of the increase in the size of our operations.

Impairment charge of mining interests

Impairment charge of mining interests decreased by 49.4 per cent. from U.S.$127.4 million for the year ended 31 December 2019 to U.S.$64.5 million for the year ended 31 December 2020, reflecting an impairment charge for the Karma mine of U.S.$44.6 million as a result of the high operating costs and the limited remaining mine life and also an impairment related to exploration costs on permits for which no further work is planned.

Acquisition and restructuring costs

Acquisition and restructuring costs primarily related to advisory fees in connection with the SEMAFO and Teranga acquisitions and amounted to U.S.$39.8 million for the year ended 31 December 2020 compared to acquisition costs of U.S.$4.6 million, which were related to legal and other related business development costs, for the year ended 31 December 2019.

Financial instrument gains and losses

Losses on financial instruments were U.S.$78.7 million for the year ended 31 December 2020, compared to losses on financial instruments of U.S.$56.4 million for the year ended 31 December 2019. The losses for the year ended 31 December 2020 were mainly due to the net impact of losses on the gold revenue protection programme of U.S.$21.2 million, realised gains on our convertible senior bond derivative of U.S.$43.2 million resulting from the increase in our share price and foreign exchange losses of U.S.$5.2 million, loss on other financial instruments of U.S.$2.5 million which were offset by a realised gain on the settlement of a forward contract of U.S.$6.7 million.

Current income tax expense

Current income taxes increased by U.S.$75.8 million, or 162.3 per cent., from U.S.$46.7 million for the year ended 31 December 2019 to U.S.$122.6 million for the year ended 31 December 2020. The increase was primarily due the inclusion of current tax expense at the Mana and Boungou mines, which were acquired on 1 July 2020, as well as withholding tax charges on dividends and interest and overall higher taxable profit at all mines due to the increased gold price.

Deferred income tax (expense) recovery

Deferred income taxes recovery was U.S.$36.5 million for the year ended 31 December 2020 compared to a recovery of U.S.$21.6 million for the comparable year, primarily associated with a reduction in the accounting base of Karma mine due to impairment in 2019 and a lower accounting base at Boungou mine in 2020 due to a purchase price adjustment.

Year Ended 31 December 2019 Compared to Year Ended 31 December 2018

	For the year ended 31 December	
	2018	2019
	(in thousands of U.S.$)	
Revenues		
Revenue	571,701	694,848
Cost of sales		
Operating expenses	(290,367)	(345,817)
Depreciation and depletion	(135,650)	(152,488)
Royalties	(34,307)	(40,558)
Earnings from mine operations	**111,377**	**155,985**
Corporate costs	(26,573)	(20,620)
Acquisition and restructuring costs	—	(4,552)
Impairment of mining interests	—	(127,380)
Share-based compensation	(24,931)	(21,042)
Exploration costs	(7,621)	(9,893)
Earnings/(loss) from operations	**52,252**	**(27,502)**
Gain/(loss) on financial instruments	10,654	(56,380)
Finance costs	(23,293)	(42,446)
Other income/(expense)	(241)	(8,515)
Earnings/(loss) before taxes	**39,372**	**(134,843)**
Current income tax expense	(63,588)	(46,745)
Deferred income tax (expense)/recovery	(170)	21,614
Net (loss)/earnings from discontinued operations	(113,349)	18,814
Net comprehensive (loss)/earnings	**(137,735)**	**(141,160)**

Revenues

Revenues increased by U.S.$123.1 million, or 21.5 per cent., from U.S.$571.7 million for the year ended 31 December 2018 to U.S.$694.8 million for the year ended 31 December 2019. The increase was primarily due to an increase in overall production, mainly due to the commencement of commercial production of the Ity CIL processing facility in April 2019, as well as higher realised gold prices. Gold ounces sold increased from 612,103 ounces in the year ended 31 December 2018 to 648,755 ounces for the year ended 31 December 2019. The realised price of gold per ounce for the year ended 31 December 2019 was U.S.$1,366 compared to U.S.$1,228 per ounce in the prior year.

Operating expenses

Operating expenses increased by U.S.$55.5 million, or 19.1 per cent., from U.S.$290.4 million for the year ended 31 December 2018 to U.S.$345.8 million for the year ended 31 December 2019. The increase was primarily due to an increase in operating expenses at the Houndé Mine and the transition of the Ity Mine from heap leach to a CIL processing facility in the first half of 2019.

Depreciation and depletion

Depreciation and depletion increased by U.S.$16.8 million, or 12.4 per cent., from U.S.$135.7 million for the year ended 31 December 2018 to U.S.$152.5 million for the year ended 31 December 2019. The increase was primarily due to a higher depreciation charge incurred on CIL assets at the Ity Mine in 2019 compared to a lower depreciation charge incurred on heap leach assets at the Ity Mine in 2019, as well as increased depreciation due to the adoption of IFRS 16.

Royalties

Royalties increased by U.S.$6.3 million, or 18.2 per cent., from U.S.$34.3 million for the year ended 31 December 2018 to U.S.$40.6 million for the year ended 31 December 2019.

Earnings from mine operations

Earnings from mine operations increased by U.S.$44.6 million, or 40.1 per cent., from U.S.$111.4 million for the year ended 31 December 2018 to U.S.$156.0 million for the year ended 31 December 2019, primarily due to an increase in overall production as discussed above.

Corporate costs

Corporate costs decreased by 22.4 per cent. from U.S.$26.6 million for the year ended 31 December 2018 to U.S.$20.6 million for the year ended 31 December 2019, primarily due to the realisation of corporative savings initiatives.

Impairment charge of mining interests

We recorded an impairment charge of mining interests of U.S.$127.4 million for the year ended 31 December 2019, compared to nil for the year ended 31 December 2018. The impairment charge of mining interests of U.S.$127.4 million for the year ended 31 December 2019 was in connection with an impairment recognised at the Karma Mine following significant revisions to the mine plan, including estimates of recoverable mineral reserves and resources, recent operating results and future expected production based on the reserves.

Acquisition and restructuring costs

Acquisition and restructuring costs related to legal and other related business development costs were U.S.$4.6 million for the year ended 31 December 2019 compared to nil for the year ended 31 December 2018.

Financial instrument gains and losses

Losses on financial instruments were U.S.$56.4 million for the year ended 31 December 2019, compared to gains on financial instruments of U.S.$10.7 million for the year ended 31 December 2018. The increase in losses in 2019 was primarily due to losses on our gold revenue protection programme and a revaluation of receivables in relation to the sale of the Nzema mine.

Current income tax expense

Current income tax expenses decreased by U.S.$16.8 million, or 26.5 per cent., from U.S.$63.6 million for the year ended 31 December 2018 to U.S.$46.7 million for the year ended 31 December 2019. The decrease was mainly due to a decrease in tax expense at the Houndé mine relating to lower production as well as an adjustment to tax expense from 2018 in 2019 upon filing of the final tax return.

Deferred income tax (expense)/recovery

Deferred income tax recovery was U.S.$21.6 million for the year ended 31 December 2019 compared to a recovery of U.S.$0.2 million for the comparable year. This increase was mainly due to the reduction in the accounting value of mineral property at Karma due to the impairment charge in the year.

Liquidity and Capital Resources

Our liquidity requirements arise principally from funding operational costs, settling working capital obligations and making capital investments. Historically, we have utilised a combination of short- and long-term financial instruments to supplement cash flow from operations in order to finance our cash needs and the growth of our business.

Cash generated from operating activities was U.S.$197.9 million for the three months ended 31 March 2021, compared with U.S.$126.0 million for the three months ended 31 March 2020. For the years ended 31 December 2018, 2019 and 2020, we generated U.S.$250.9 million, U.S.$301.9 million and U.S.$748.9 million in cash flows from operating activities, respectively. We held cash (excluding restricted cash) of U.S.$868.2 million at 31 March 2021, U.S.$645.0 million at 31 December 2020, U.S.$189.9 million at 31 December 2019 and U.S.$124.0 million at 31 December 2018. Our cash balances are held in bank accounts in the jurisdictions of our mining operations to fund our ongoing operations. There are also cash balances in corporate accounts in countries outside of those of our current mining operations in order to finance corporate costs.

Our cash balance at 31 March 2021 excludes U.S.$35.0 million in restricted cash and U.S.$2.4 million of marketable securities.

We believe that our operating cash flows and available borrowing capacity under the Revolving Credit Facility will be sufficient to meet our liquidity requirements and commitments for the next 12 months. We are, however, leveraged, and have significant debt service obligations. Our actual financing requirements will depend on a number of factors, many of which are beyond our control.

Working Capital

Total working capital as of 31 March 2021 was U.S.$692.2 million compared to U.S.$479.5 million as of 31 December 2020, which change was primarily due to the impact of the inclusion of the Teranga assets and liabilities in the Group working capital as at 31 March 2021.

Cash Flows

	For the year ended 31 December			For the three months ended 31 March	
	2018	2019	2020	2020	2021
				(unaudited)	
	(in thousands of U.S.$)				
Cash generated from operating activities	250,919	301,885	748,928	125,955	197,935
Cash (used in) investing activities	(453,319)	(251,526)	(160,111)	(57,234)	(105,273)
Cash generated from (used by) financing activities	204,467	15,124	(70,714)	99,594	64,613
Effect of exchange rate changes on cash	(748)	384	6,683	(861)	(3,755)
Increase in cash and cash equivalents	1,320	65,867	524,786	167,454	153,520
Cash and cash equivalents, beginning of period[(1)]	122,702	124,022	189,889	189,889	644,970
Cash and cash equivalents, end of period	**124,022**	**189,889**	**714,675**	**357,343**	**868,195**

Note:

(1) With respect to the three months ended 31 March 2021, cash and cash equivalents at the beginning of the period excludes U.S.$69.7 million in cash relating to assets held for sale.

Three Months ended 31 March 2021 Compared to Three Months ended 31 March 2020

The increase in cash and cash equivalents for the three months ended 31 March 2021 was U.S.$153.5 million, compared to an increase of U.S.$167.5 million for the three months ended 31 March 2020, which change was attributable to the following components of the consolidated cash flow statement.

Operating activities generated U.S.$197.9 million in the three months ended 31 March 2021 in comparison to U.S.$126.0 million in the same period of the previous year, which change was primarily due to increased earnings from continuing operations before taxes in the three months ended 31 March 2021 as a result of the SEMAFO and Teranga acquisitions as well as higher realised gold prices. The increase in cash flows from operating activities relative to the same period in the prior year was offset by the impact of the operating cash flows used by discontinued operations in the three months ended 31 March 2021 of U.S.$8.8 million compared to cash flows generated in the three months ended 31 March 2020 of U.S.$26.1 million, the decrease being related to the payment of income taxes and dividends in the three months ended 31 March 2021 prior to the disposal of the Agbaou mine.

Investing activities used U.S.$105.3 million in the three months ended 31 March 2021 and primarily consisted of expenditures on mining interests, including cash paid for additional interest in Fetekro, as well as cash received on the acquisition of Teranga and the sale of Agbaou. In comparison, investing activities used U.S.$57.2 million in the same period of the previous year, which related primarily to expenditures on mining interests and cash paid for additional interest of the Ity mine.

Financing activities generated cash of U.S.$64.6 million in the three months ended 31 March 2021 and primarily related to proceeds received through the issue of common shares in connection with the private placement to La Mancha in the period and the net proceeds from the refinancing of the Teranga debt upon closing of the acquisition of U.S.$47.0 million, offset by the payment of U.S.$60.0 million in dividends in the period and U.S.$49.7 million paid to settle the gold offtake liabilities acquired from Teranga and the repayment of finance and lease obligations. In comparison, financing activities generated cash of U.S.$99.6 million in the prior period, which related primarily to the drawdown of U.S.$120.0 million of the revolving credit facility as a precaution due to the onset of the COVID-19 pandemic.

Year Ended 31 December 2020 Compared to Year Ended 31 December 2019

The net change in cash position at 31 December 2020 from 31 December 2019 was an increase of U.S.$524.8 million, attributable to the following components of the consolidated cash flow statement.

Operating activities generated U.S.$748.9 million in the year ended 31 December 2020 in comparison to U.S.$301.9 million in the year ended 31 December 2019, which increase was primarily due to changes in working capital related to the increase in trade and other receivables, offset by an increase in the operating cash flows from discontinued operations related to the Agbaou Mine.

Investing activities used U.S.$160.1 million in the year ended 31 December 2020 and primarily consisted of cash inflows of U.S.$93.0 million on the acquisition of SEMAFO, as well as a positive change on long-term assets of U.S.$40.8 million partially due to a decrease in restricted cash of U.S.$24.0 million at corporate, which was offset by an increase in expenditures on mining interests of U.S.$27.7 million. In comparison, investing activities used U.S.$251.5 million in the year ended 31 December 2019, which related primarily to mine related capital expenditures.

Financing activities used U.S.$70.7 million in the year ended 31 December 2020 and primarily consisted of additional repayments of long-term debt of U.S.$149.8 million (U.S.$119.9 million net of drawdowns) and U.S.$60.4 million in additional cash used to repay finance and lease obligations as we repaid all remaining balances outstanding for the finance obligations related to the Houndé and Ity mines. In comparison, financing activities generated cash of U.S.$15.1 million in the year ended 31 December 2019, which related primarily to proceeds drawn from our revolving credit facility (as described below), interest payments and finance and lease repayments.

Year Ended 31 December 2019 Compared to Year Ended 31 December 2018

The net change in cash position at 31 December 2019 from 31 December 2018 was an increase of U.S.$65.9 million, attributable to the following components of the consolidated cash flow statement.

Operating activities generated U.S.$301.9 million in the year ended 31 December 2019 in comparison to U.S.$250.9 million in the year ended 31 December 2018, which change was primarily due to increased production from our mines as discussed above.

Investing activities used U.S.$251.5 million in the year ended 31 December 2019 and primarily consisted of mine related capital expenditures. In comparison, investing activities used U.S.$453.3 million in the year ended 31 December 2018, which related primarily to expenditure made for the construction of the Ity Mine.

Financing activities generated cash of U.S.$15.1 million in the year ended 31 December 2019 and primarily consisted of proceeds drawn from our revolving credit facility (as described below), interest payments and finance and lease repayments. In comparison, financing activities generated cash of U.S.$204.5 million in the year ended 31 December 2018, which related primarily to a private placement of convertible senior notes (as described below) that was partially offset by a repayment made on our revolving credit facility (as described below).

Description of Material Indebtedness

The table below sets forth our long-term debt as at 31 December 2018, 2019 and 2020 and as at 31 March 2021.

	As at 31 December			As at 31 March
	2018	2019	2020	2021
		(in thousands of U.S.$)		
Corporate loan facilities	230,000	310,000	310,000	700,000
Deferred financing costs	(6,721)	(5,059)	(8,305)	(13,264)
Revolving credit facility	**223,279**	**304,941**	**301,695**	**686,736**[1]
Convertible senior notes	293,893	302,600	311,925	311,804
Conversion option	25,076	31,439	74,646	46,266
Convertible senior bond	**318,969**	**334,039**	**386,571**	**358,070**
Total long-term debt	**542,248**	**638,980**	**688,266**	**1,044,806**

Note:

(1) Amount shown for the revolving credit facility includes the amount drawn under the Bridge Facility.

Revolving credit facility

On 19 September 2017, we signed a U.S.$500.0 million revolving credit facility (the "**RCF**") with a syndicate of leading international banks. Following the completion of a private placement of U.S.$330.0 million convertible senior notes on 8 February 2018 (as discussed below), we reduced the principal of the RCF available to U.S.$350.0 million and made a payment on it of U.S.$280.0 million. On 17 May 2019, we renewed the RCF and increased its total commitment capacity by U.S.$80.0 million, to give a principal amount of U.S.$430.0 million. On 10 September 2020, we signed a one-year extension on the RCF, delaying the maturity date to September 2022. Subsequently, on 24 December 2020, we entered into an amendment to the RCF that extended its maturity to 15 January 2023 and became effective on 10 February 2021 upon the closing of the acquisition of Teranga.

The principal outstanding on the RCF is repayable as a single bullet payment on the maturity date, and the RCF can be repaid and drawn at any time without penalty. The key covenants under the RCF include the interest cover ratio and leverage ratio.

Convertible senior bond

On 8 February 2018, we completed a private placement of convertible senior notes with a total principal amount of U.S.$330.0 million due in 2023 (the "**Convertible Senior Notes**"). The initial conversion rate was 41.84 of our common shares per U.S.$1,000 Convertible Senior Note, or an initial conversion price of approximately U.S.$23.90 (CAD$29.47) per share.

On 21 January 2021, the conversion rate of the Convertible Senior Notes was adjusted as a result of the U.S.$0.37 per share ordinary dividend announced on 11 January 2020. The new conversion rate is 42.55 of our common shares per $1,000 Convertible Senior Note and equates to a conversion price of approximately U.S.$23.50 (CAD$29.72) per share. The conversion rate will be adjusted in the future for any dividends.

The Convertible Senior Notes bear interest at a coupon rate of 3 per cent. payable semi-annually in arrears on 15 February and 15 August of each year, beginning on 15 August 2018. The Convertible Senior Notes mature on 15 February 2023, unless redeemed earlier, repurchased or converted in accordance with the terms of the Convertible Senior Notes. We may, subject to certain conditions, elect to satisfy the principal amount and conversion option due at maturity or upon redemption through the payment or delivery of any combination of common shares and cash.

For accounting purposes, the Convertible Senior Notes are recognised at amortised cost, accreting to their face value over the term of the Convertible Senior Notes. The conversion option is an embedded derivative and is accounted for as a financial liability measured at fair value through profit or loss. The unrealised gain/loss on the conversion option for the three months ended 31 March 2021 was an unrealised gain of U.S.$28.4 million, compared to an unrealised gain of U.S.$2.7 million for the same period in the previous year primarily as a result of the change in the Company's share price.

Bridge facility agreement

On 24 December 2020, Old EDV (as parent company) and Endeavour Gold Corporation (as borrower) entered into a bridge term facility agreement (the "**Bridge Facility Agreement**") with, among others, Investec Bank plc as agent and security agent, Citibank N.A., London Branch, HSBC Bank Canada, ING Bank N.V. and ING Bank, a Branch of ING-DiBa AG as co-ordinating mandated lead arrangers and the original lenders and named therein. The Bridge Facility Agreement came into effect on 10 February 2021.

Under the terms of the Bridge Facility Agreement, the original lenders have provided Endeavour Gold Corporation with a U.S.$370 million term loan facility (the "**Bridge Facility**"). The Bridge Facility is available to be used to fund: (i) the refinancing of indebtedness of the Teranga group, (ii) certain costs in connection with the acquisition of the Teranga group and (iii) the general corporate purposes of the Group.

All amounts outstanding under the Bridge Facility Agreement (including each advance under the Bridge Facility) are required to be repaid in full on the date 12 months after the date the first advance is made (subject to an extension option whereby the repayment date can be extended by up to an additional 12 months). Advances under the Bridge Facility cannot be re-drawn. No sums can be drawn under the Bridge Facility on or after 24 April 2021.

The Bridge Facility Agreement permits, subject to the payment of any applicable break costs and certain other conditions, voluntary prepayments and voluntary cancellation of undrawn amounts under the Bridge Facility.

Interest accrues on loans made under the Bridge Facility at a floating rate of LIBOR (subject to a zero-floor) for the applicable interest period plus a margin of between 2.25 per cent. per annum and 3.75 per cent. per annum, which starts at 2.25 per cent. per annum and increases by 0.5 per cent. per annum every six months from the date of the first advance under the Bridge Facility until the final maturity of the Bridge Facility.

The Bridge Facility Agreement contains the same or similar representations, undertakings, negative pledge, events of default, financial covenants, prepayment upon change of control, guarantor group and security package as the RCF Agreement.

Contractual Obligations

The following table summarises the contractual maturities of our significant financial liabilities, including contractual obligations as of 31 December 2020 (excluding interest payments for the corporate loan facility):

	Within 1 year	1–2 years	3–4 years	More than 4 years	Total
	(in thousands of U.S.$)				
Trade and other payable	279,903	—	—	—	279,903
Corporate loan facility	—	310,000	—	—	310,000
Convertible senior bond	9,900	9,900	334,950	—	354,750
Lease liabilities	15,311	13,382	3,776	1,002	33,471
Total	**305,114**	**333,282**	**338,726**	**1,002**	**978,124**

We have various ordinary course commitments in place with third-party contractors for mining services, drill and blasting services, and the supply of explosives and hydrocarbon services. We are subject to operating and finance lease commitments in connection with the purchase of mining equipment, light duty vehicles, operational building facilities and rented office premises.

Derivative Financial Liabilities

Gold revenue protection strategy

In the year ended 31 December 2019, we implemented a deferred premium collar strategy (the "**Collar**") using written call options and bought put options for the 12-month period from July 2019 to June 2020. The programme covered a total of 360,000 ounces, representing approximately 50 per cent. of our total estimated gold production for the period, with an average floor price of U.S.$1,358 and a ceiling price of U.S.$1,500. The Collar was accounted for at fair value through profit/ loss and we realised a loss of U.S.$35.9 million over the life of the Collar, of which U.S.$21.2 million was recognised in the year ended 31 December 2020, compared to a loss of U.S.$7.0 million in the year ended 31 December 2019. In 2019, a previous gold collar for the 15-month period from February 2018 to April 2019 expired and we recognised a gain of U.S.$10.4 million in the year ended 31 December 2019 and a total gain over the term of the collar of U.S.$5.1 million.

Gold forward contracts

On 9 March 2020, we entered into a gold forward contract to manage the risk of changes in the market price of gold. Under the gold forward contract, we bought 73,919 ounces of gold at an average gold price of U.S.$1,590 per ounce. On 30 March 2020, we exited the gold forward contract at a final gold price of U.S.$1,681 per ounce and recognised a gain of U.S.$6.7 million.

Capital Expenditures

Capital expenditures to develop and expand our operations are an important factor in our production capacity and are expected to have a material impact on our funding requirements for the foreseeable future. For the years ended 31 December 2018, 2019 and 2020, we spent U.S.$483.1 million, U.S.$213.6 million and U.S.$259.2 million, respectively, on capital expenditures primarily to support our development plans for our mines. The increase in capital expenditures for the year ended 31 December 2020 primarily related to the acquisition of the SEMAFO assets as well as increased waste capital expenditure at Ity and Houndé.

Our sustaining capital expenditure, the amount of capital we consider is needed to be expended to produce current ounces and production at current levels, was U.S.$49.0 million, U.S.$43.9 million and U.S.$70.3 million for the years ended 31 December 2018, 2019 and 2020, respectively.

Our future capital expenditures will be impacted by future cash flows, as well as our capital allocation strategy. We estimate that our capital expenditures for 2021 will be approximately U.S.$84.1 million for non-sustaining capital expenses and U.S.$9.7 million for sustaining capital expenses. No growth projects were budgeted for.

As detailed in the table below, sustaining and non-sustaining capital allocations for 2021 amounted to U.S.$173.0 million and U.S.$201.0 million respectively.

	Sustaining Capital	Non-Sustaining Capital
	(in millions of U.S.$)	
Ity	28	27
Karma	11	5
Houndé	39	13
Mana	27	62
Boungou	19	22
Sabodala-Massawa	35	47
Wahgnion	14	26
Mine Capital Expenditures from Continuing Operations	**172**	**201**
Agbaou	1	0
Total Mine Capital Expenditures	**173**	**201**

We continually evaluate our capital needs and compare them to our estimated funds available, and our actual future capital expenditures may be higher or lower than our budgeted amounts. It is important to note that the dynamic nature of our business limits our ability to precisely predict our future capital expenditures. In particular, our capital expenditures may increase as a result of future acquisitions and/or additional exploration opportunities which are presented to us or to fund development costs associated with additional successful mines. The final determination with respect to the excavation of any mine, including those currently budgeted, will depend on multiple factors, including the results of our development and exploration efforts, the availability of sufficient capital resources for development prospects, economic and industry conditions at the time of the development, including prevailing and anticipated prices that we can receive for gold, the availability of labour and equipment, and our financial condition.

Commitments and Contingencies

We have commitments in place at all seven of our mines and other key projects for drill and blasting services, load and haul services, supply of explosives and supply of hydrocarbon services. At 31 December 2020, we have approximately U.S.$10.3 million in commitments relating to on-going capital projects at our various mines.

We are, from time to time, involved in various claims, legal proceedings, tax assessments and complaints arising in the ordinary course of business from third parties. We cannot reasonably predict the likelihood or outcome of these actions. We do not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on our financial condition or future results of operations.

At 31 December 2020, we have recognised a tax provision of U.S.$46.6 million with respect to current assessments received from the tax authorities in the various jurisdictions in which we operate (Burkina Faso, Côte d'Ivoire, and France), as well as uncertain tax positions identified upon the acquisition of SEMAFO and through review of its tax positions. For those amounts recognised related to current tax assessments received, the provision is based on management's best estimate of the outcome of those assessments, based on the validity of the issues in the assessment, management's support for their position, and the expectation with respect to any negotiations to settle the assessment.

Our mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. We believe our operations are materially in compliance with all applicable laws and regulations, and we have made, and expect to make in the future, expenditures to comply with such laws and regulations.

Streaming Arrangements

We assumed certain obligations under a gold stream when we acquired the Karma Mine on 26 April 2016. We were obligated to deliver 100,000 ounces of gold (20,000 ounces per year) to Franco-Nevada Corporation and Sandstorm Gold Inc. over a five-year period, which commenced on 31 March 2016, in exchange for an ongoing payment of 20 per cent. of the spot price of gold for each ounce of gold delivered. The originally financed amount under the stream of U.S.$100.0 million for development of the Karma Mine was reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment. We delivered an additional 7,500 ounces between July 2017 and April 2019 in exchange for an additional deposit of U.S.$5.0 million received in 2017. Gold ounces sold to Franco-Nevada Corporation and Sandstorm Gold Inc. under the stream agreement are recognised as revenue only on the actual proceeds received, which per the agreement is 20 per cent. of the spot gold price. Following the five-year period, which was completed in March 2021, we are committed to deliver refined gold equal to 6.5 per cent. of the gold production at the Karma Mine for the life of the mine in exchange for payments of 20 per cent. of the spot gold price for each ounce sold.

We also assumed certain obligations under a gold stream when we acquired the Sabodala-Massawa mine on 10 February 2021. Further to an amendment to the original stream agreement on 25 September 2020, we are obliged to deliver 783 ounces per month beginning September 1, 2020 until 105,750 ounces have been delivered to Franco-Nevada (the "**Fixed Delivery Period**"). At the end of the Fixed Delivery Period, any difference between total gold ounces delivered during the Fixed Delivery Period and 6 per cent. of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6 per cent. of production from the Company's existing properties in Senegal (excluding Massawa). For the ounces delivered to Franco-Nevada under the Sabodala-Massawa stream arrangement, the Group receives cash proceeds equivalent to 20 per cent. of the spot price of gold, and the gold ounces sold are recognised as revenue only on the actual proceeds received.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Financial and Related Risk

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for us by failing to discharge its obligations. Our maximum exposure to credit risk is as follows:

	Year ended 31 December 2020	Three months ended 31 March 2021
	(in thousands of U.S.$)	
Cash	644,970	868,195
Trade and other receivables	52,812	110,400
Marketable securities	778	2,439
Long-term receivable and other financial assets	804	47,960
Restricted cash[(1)]	24,398	34,973
Total	**723,762**	**1,063,967**

Note:

(1) Restricted cash refers to cash placed in restricted account in relation to certain of the Group's land reclamation activities at its mines.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting obligations associated with our financial liabilities that are settled by delivering cash, physical gold or another financial asset. We have a planning and budgeting process in place to help determine the funds required to support our normal operating requirements, and we ensure that we have sufficient cash and cash equivalents and loan facilities available to meet our short-term obligations.

Currency Risk

Currency risk relates to the risk that the fair values or future cash flows of our financial instruments will fluctuate because of changes in foreign exchange rates. The price of gold, as well as our results of operations are denominated in U.S. dollars. Parts of our business, however, are conducted by our subsidiaries in Australia, Barbados, Burkina Faso, Canada, Cayman Islands, Côte d'Ivoire, Jersey, Mali and Monaco, and the associated overhead costs are denominated in Australian dollars, Barbadian dollars, Canadian dollars, Euros, UK pounds sterling and Western Africa Franc CFA. As a result, exchange rate fluctuations may affect the costs that we incur in our operations. We do not hedge our exposure to foreign currency exchange risk. The table below highlights our net assets held in foreign currencies:

	Year ended 31 December 2020
	(in thousands of U.S.$)
Canadian dollar	92,371
Franc CFA	175,854
Euros	649
Other currencies	13,270
Total	**282,144**

Interest Rate Risk

Interest rate risk is the risk that future cash flows from, or the fair values of, our financial instruments will fluctuate because of changes in market interest rates. We are exposed to interest rate risk primarily on our long-term debt. Since marketable securities and government treasury securities held as loans are short term in nature and are usually held to maturity, there is minimal fair value sensitivity to changes in interest rates. We continually monitor our exposure to interest rates and are comfortable with its exposure given the relatively low short-term U.S. interest rates and LIBOR.

The effect on earnings/(loss) before taxes as at 31 December 2020, of a 10 per cent. change in the LIBOR rate on the RCF is estimated to be U.S.$1.0 million.

Price Risk

Price risk is the risk that future cash flows primarily from gold sales, or the fair value of our financial instruments, will fluctuate because of changes in market prices. Our profitability depends on metal prices, primarily gold. Metal prices are affected by numerous factors such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major producing countries throughout the world.

We are exposed to other price risk or equity price risk in trading marketable securities and unfavourable market conditions could result in dispositions of marketable securities at less than favourable prices. Additionally, we mark our investments to market at each reporting period. This process could result in write-downs of our investments over one or more reporting periods, particularly during periods of declining resource equity markets.

Basis of Presentation and Significant Accounting Policies

The critical judgements that we have made in the process of applying our accounting policies, apart from those involving estimations to the consolidated financial statements that have the most significant effect on the amounts recognised our consolidated financial statements are set out in Note 2 to the Group's consolidated historical financial information:

Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires our management to make judgements, estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant assumptions about the future and other major sources of estimation uncertainty as of the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of our assets and liabilities include, but are not limited to, the following: recouping value added tax ("**VAT**") balances owing by the fiscal authorities in Burkina Faso and Côte d'Ivoire which are included in trade and other receivables; assessing impairment of mining interests and goodwill; estimating recoverable ounces which affect depletion rates; valuing assets and liabilities acquired in business combinations; estimating Mineral Reserves; estimating environmental rehabilitation costs; assessing deferred income taxes; accounting for share-based payments; measuring inventories; and contingencies related to various legal and tax matters that are ongoing at any given time and require estimation of amount and probability of income. For additional information on sources of estimation uncertainty, see Note 3 of the Group's consolidated historical financial information.

PART 11
CAPITALISATION AND INDEBTEDNESS

Capitalisation and indebtedness

The unaudited capitalisation and indebtedness information set out below has been extracted without material adjustment from the Group's unaudited financial information as at 31 March 2021 included in Part 13 (*Unaudited Historical Financial Information of the Group for the three months ended 31 March 2020 and 2021*).

The following table shows the consolidated Group gross financial indebtedness and capitalisation as at 31 March 2021.

	$'000
Total current debt:	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—
Total non-current debt (excluding current portion of long-term debt):	
Guaranteed[1]	—
Secured[1]	686,736
Unguaranteed/unsecured[2]	358,070
Total indebtedness	1,044,806
Capitalisation[3]:	
Share capital	4,947,920
Equity reserve	87,334
Other reserves	—
Total capitalisation	5,035,254

Notes:

(1) Secured indebtedness is represented by U.S.$370 million drawn under the Bridge Facility and U.S.$330 million drawn under the RCF, net of deferred financing costs.

(2) Unsecured indebtedness is represented by the fair value of the U.S.$330 million Convertible Bond.

(3) Capitalisation does not include the deficit.

The following table shows the consolidated Group net financial indebtedness as at 31 March 2021.

	$'000
Cash[1]	868,195
Cash equivalents	—
Trading securities	2,439
Liquidity	870,634
Current financial receivables	—
Current bank debt	—
Current portion of non-current debt	—
Other current financial debt	—
Current financial indebtedness	—
Net current financial indebtedness	870,634
Non-current bank loans	(686,736)
Bonds issued	(358,070)
Other non-current loans	—
Non-current financial indebtedness	(1,044,806)
Net financial indebtedness	(174,172)

Note:

(1) Cash excludes restricted cash of U.S.$35.0 million.

The Group has no indirect and contingent indebtedness.

The Group also has derivatives not reflected in the analysis above with the following fair values as at 31 March 2021, including the conversion option on notes, share warrant liabilities, call rights and contingent consideration totalling U.S.$121.1. million.

PART 12
HISTORICAL FINANCIAL INFORMATION OF THE GROUP FOR THE THREE YEARS ENDED 31 DECEMBER 2020

Section A—Accountants' report on the Historical Financial Information of the Group for the three years ended 31 December 2020



BDO LLP
55 Baker Street
London
W1U 7EU

The Directors
Endeavour Mining plc
5 Young Street
London
W8 5EH

9 June 2021

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Dear Sir or Madam

Endeavour Mining Corporation and its subsidiary undertakings (together, the "Group")

Introduction

We report on the financial information set out in Section B of this Part 12 of the prospectus dated 9 June 2021 of Endeavour Mining plc (the "Company") (the "Prospectus").

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Group as at 31 December 2018, 2019 and 2020 and of its results, cash flows, and changes in equity for the three years ended 31 December 2020 in accordance with International Accounting Standards as adopted by the United Kingdom.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the United Kingdom.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Delegated Regulation**"), consenting to its inclusion in the Prospectus.

Basis of preparation

This financial information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 2 to the financial information. This report is required by item 18.3.1 of Annex 1 of the Prospectus Delegated Regulation and is given for the purpose of complying with that item and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and the Group in accordance with the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of the Group to continue as a going concern for a period of at least twelve months from the date of the Prospectus. Accordingly the use by the directors of the Company of the going concern basis of accounting in the preparation of the financial information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 of the Prospectus Delegated Regulation.

Yours faithfully

BDO LLP
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

ENDEAVOUR MINING CORPORATION

Consolidated Statement of Comprehensive Earnings/(Loss)

(Expressed in Thousands of United States Dollars, except per share amounts)

	Note	YEAR ENDED December 31, 2018	December 31, 2019	December 31, 2020
Revenues				
Revenue		571,701	694,848	1,424,111
Cost of sales				
Operating expenses		(290,367)	(345,817)	(574,791)
Depreciation and depletion		(135,650)	(152,488)	(260,562)
Royalties		(34,307)	(40,558)	(98,722)
Earnings from mine operations		111,377	155,985	490,036
Corporate costs		(26,573)	(20,620)	(23,747)
Acquisition and restructuring costs	4	—	(4,552)	(39,845)
Impairment of mining interests	5	—	(127,380)	(64,506)
Share-based compensation	6	(24,931)	(21,042)	(18,767)
Exploration costs		(7,621)	(9,893)	(4,937)
Earnings/(loss) from operations		52,252	(27,502)	338,234
Other income/(expense)				
Gain/(loss) on financial instruments	7	10,654	(56,380)	(78,690)
Finance costs	8	(23,293)	(42,446)	(48,832)
Other (expense)/income		(241)	(8,515)	9,257
Earnings/(loss) before taxes		39,372	(134,843)	219,969
Current income tax expense	21	(63,588)	(46,745)	(122,594)
Deferred income tax (expense)/recovery	21	(170)	21,614	36,497
Net comprehensive (loss)/earnings from continuing operations		(24,386)	(159,974)	133,872
Net comprehensive (loss)/earnings from discontinued operations	4	(113,349)	18,814	(21,803)
Net comprehensive (loss)/earnings		(137,735)	(141,160)	112,069
Net (loss)/earnings from continuing operations attributable to:				
Shareholders of Endeavour Mining Corporation		(34,874)	(174,506)	95,030
Non-controlling interests	19	10,488	14,532	38,842
		(24,386)	(159,974)	133,872
Total net (loss)/earnings attributable to:				
Shareholders of Endeavour Mining Corporation		(144,856)	(163,718)	72,223
Non-controlling interests	19	7,121	22,558	39,846
		(137,735)	(141,160)	112,069
Net and comprehensive (loss)/earnings per share from continuing operations				
Basic (loss)/earnings per share	6	$ (0.32)	$ (1.59)	$ 0.69
Diluted (loss)/earnings per share	6	$ (0.32)	$ (1.59)	$ 0.69
(Loss)/earnings per share				
Basic (loss)/earnings per share	6	$ (1.34)	$ (1.49)	$ 0.53
Diluted (loss)/earnings per share	6	$ (1.34)	$ (1.49)	$ 0.53

The accompanying notes are an integral part of the historical financial information.

ENDEAVOUR MINING CORPORATION

Consolidated Statement of Cash Flows

(Expressed in Thousands of United States Dollars)

	Note	YEAR ENDED December 31, 2018	December 31, 2019	December 31, 2020
Operating Activities				
Earnings/(loss) from continuing operations before taxes		39,372	(134,843)	219,969
Adjustments for:				
Depreciation and depletion	12	135,650	152,488	260,562
Finance costs	8	23,293	42,446	48,832
Share-based compensation	6	24,931	21,042	18,767
(Loss)/gain on financial instruments	7	(10,654)	56,380	78,690
Write down of inventory and other		—	—	12,439
Impairment of mining interests		—	127,380	64,506
Cash paid on settlement of DSUs and PSUs	6	(8,355)	(1,125)	(1,881)
Income taxes paid		(19,406)	(61,704)	(56,598)
Cash received/(paid) on settlement of other financial assets/liabilities		5,795	(5,360)	(24,817)
Net non-cash asset adjustments		16,889	—	—
Foreign exchange (loss)/gain		(19,074)	(4,078)	8,195
Operating cash flows before changes in working capital		188,441	192,626	628,664
Trade and other receivables		(4,340)	21,191	4,122
Inventories		(15,392)	(14,213)	45,137
Prepaid expenses and other		5,506	(2,307)	(10,034)
Trade and other payables		22,470	8,234	42,674
Operating cash flows generated from continuing operations		196,685	205,531	710,563
Operating cash flows generated from discontinued operations	4	54,234	96,354	38,365
Cash generated from operating activities		250,919	301,885	748,928
Investing Activities				
Expenditures on mining interests	12	(374,317)	(208,184)	(235,855)
Cash paid for additional interest of Ity mine	19	—	(453)	(5,430)
Cash acquired on acquisition of SEMAFO Inc.	4	—	—	92,981
Changes in long-term assets	14	(43,570)	(16,525)	(7,290)
Proceeds from sale of assets		33,179	3,875	10,292
Investing cash flows used by continuing operations		(384,708)	(221,287)	(145,302)
Investing cash flows used by discontinued operations	4	(68,611)	(30,239)	(14,809)
Cash used in investing activities		(453,319)	(251,526)	(160,111)
Financing Activities				
Proceeds received from the issue of common shares	6	600	292	100,000
Dividends paid to non-controlling interest	19	—	(1,090)	(8,592)
Payment of financing fees and other		(2,300)	(2,165)	(6,933)
Interest paid		(24,259)	(33,033)	(33,654)
Proceeds of long-term debt	8	210,000	80,000	120,000
Repayment of long-term debt	8	(280,000)	—	(150,000)
Proceeds from convertible senior bond		330,000	—	—
Repayment of finance and lease obligation	16	(21,203)	(22,229)	(82,692)
Change in reclamation liability bonds		(157)	—	—
Financing cash flows generated from/(used by) continuing operations		212,681	21,775	(61,871)
Financing cash flows used by discontinued operations	4	(8,214)	(6,651)	(8,843)
Cash generated from/(used by) financing activities		204,467	15,124	(70,714)
Effect of exchange rate changes on cash		(748)	384	6,683
Increase in cash and cash equivalents		1,320	65,867	524,786
Cash and cash equivalents, beginning of year		122,702	124,022	189,889
Cash and cash equivalents, end of year		124,022	189,889	714,675
Less: Cash relating to assets held for sale	4	—	—	(69,705)
Cash and cash equivalents, end of year		124,022	189,889	644,970

The accompanying notes are an integral part of the historical financial information.

ENDEAVOUR MINING CORPORATION

Consolidated Statement of Financial Position

(Expressed in Thousands of United States Dollars)

	Note	As at As at December 31, 2018	As at December 31, 2019	As at As at December 31, 2020
ASSETS				
Current				
Cash and cash equivalents		124,022	189,889	644,970
Trade and other receivables	9	48,978	19,228	52,812
Inventories	10	126,353	168,379	190,017
Other financial assets	13	1,636	—	—
Prepaid expenses and other	11	16,478	17,318	25,544
Current assets excluding assets held for sale		317,467	394,814	913,343
Assets held for sale	4	—	—	180,808
		317,467	394,814	1,094,151
Non-current				
Mining interests	12	1,543,842	1,410,289	2,566,098
Deferred tax assets	21	4,186	5,498	19,774
Other financial assets	13	24,311	25,045	25,980
Other assets	14	32,237	37,145	77,010
Goodwill		—	—	98,704
Total assets		1,922,043	1,872,791	3,881,717
LIABILITIES				
Current				
Trade and other payables	15	177,322	173,267	269,731
Finance and lease obligations	16	24,034	29,431	13,661
Other financial liabilities	17	—	10,349	—
Income taxes payable	21	47,064	54,968	150,459
Current liabilities excluding liabilities held for sale		248,420	268,015	433,851
Liabilities held for sale	4	—	—	112,796
		248,420	268,015	546,647
Non-current				
Finance and lease obligations	16	76,347	57,403	23,544
Long-term debt	8	542,248	638,980	688,266
Other financial liabilities	17	3,305	3,390	2,919
Environmental rehabilitation provision	18	38,572	38,521	78,011
Deferred tax liabilities	21	68,818	49,985	296,150
Total liabilities		977,710	1,056,294	1,635,537
EQUITY				
Share capital	6	1,743,661	1,774,172	3,043,766
Equity reserve		65,452	72,487	70,390
Deficit		(951,107)	(1,128,792)	(1,057,140)
Equity attributable to shareholders of the Corporation		858,006	717,867	2,057,016
Non-controlling interests	19	86,327	98,630	189,164
Total equity		944,333	816,497	2,246,180
Total equity and liabilities		1,922,043	1,872,791	3,881,717

The accompanying notes are an integral part of the historical financial information.

ENDEAVOUR MINING CORPORATION

Consolidated Statement of Changes in Equity

(Expressed in Thousands of United States Dollars, except per share amounts)

	Note	SHARE CAPITAL				Equity Reserve	Deficit	Total Attributable to Shareholders	Non-Controlling Interests	Total
		Number of Common Shares	Par Value	Additional Paid in Capital	Total Share Capital					
At January 1, 2018		107,533,007	10,749	1,724,325	1,735,074	56,041	(806,251)	984,864	15,757	1,000,621
Shares issued on exercise of options, RSU's and PSU's		548,589	55	8,532	8,587	(8,801)	—	(214)	—	(214)
Reclassification of RSU's to liability	6	—	—	—	—	(3,909)	—	(3,909)	—	(3,909)
Share based compensation	6	—	—	—	—	22,121	—	22,121	—	22,121
Dividends to non-controlling interests	19	—	—	—	—	—	—	—	(3,636)	(3,636)
Disposal of the Tabakoto mine	4	—	—	—	—	—	—	—	67,085	67,085
Net comprehensive (loss)/ earnings		—	—	—	—	—	(144,856)	(144,856)	7,121	(137,735)
At December 31, 2018		108,081,596	10,804	1,732,857	1,743,661	65,452	(951,107)	858,006	86,327	944,333
Shares issued on exercise of options, RSU's and PSU's		773,196	77	12,819	12,896	(12,603)	—	293	—	293
Share based compensation	6	—	—	—	—	19,638	—	19,638	—	19,638
Dividends to non-controlling interests	19	—	—	—	—	—	—	—	(6,154)	(6,154)
Acquisition of non-controlling interest of the Ity mine	19	1,072,305	107	17,508	17,615	—	(13,967)	3,648	(4,101)	(453)
Net comprehensive (loss)/ earnings		—	—	—	—	—	(163,718)	(163,718)	22,558	(141,160)
At December 31, 2019		109,927,097	10,988	1,763,184	1,774,172	72,487	(1,128,792)	717,867	98,630	816,497
Consideration on the acquisition of SEMAFO	4	47,561,205	4,756	1,146,572	1,151,328	—	—	1,151,328	106,202	1,257,530
Shares issued on private placement	4	4,507,720	451	99,549	100,000	—	—	100,000	—	100,000
Shares issued on exercise of options and PSU's		1,104,182	110	19,345	19,455	(19,332)	—	123	—	123
Share based compensation	6	—	—	—	—	17,235	—	17,235	—	17,235
Dividends to non-controlling interests	19	—	—	—	—	—	—	—	(55,315)	(55,315)
Cancellation of treasury shares	6	(63,731)	(6)	(1,183)	(1,189)	—	(340)	(1,529)	—	(1,529)
Change in non-controlling interests		—	—	—	—	—	(231)	(231)	(199)	(430)
Net comprehensive earnings		—	—	—	—	—	72,223	72,223	39,846	112,069
At At December 31, 2020		163,036,473	16,299	3,027,467	3,043,766	70,390	(1,057,140)	2,057,016	189,164	2,246,180

The accompanying notes are an integral part of the historical financial information.

ENDEAVOUR MINING CORPORATION

Notes to the Historical Financial Information

(Expressed in Thousands of United States Dollars, except per share amounts)

1 DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

The Historical Financial Information presents the consolidated financial results, cash flows and financial position of Endeavour Mining Corporation ("Endeavour" or the "Corporation") and its subsidiaries for the three years ended December 31, 2020, prepared in accordance with the accounting policies set out below.

The Corporation is a publicly listed gold mining company that operates six mines in West Africa in addition to having project development and exploration assets. Endeavour is focused on effectively managing its existing assets to maximize cash flows as well as pursuing organic and strategic growth opportunities that benefit from its management and operational expertise.

Endeavour's corporate office is in London, England, and its shares are listed on the Toronto Stock Exchange ("TSX") (symbol EDV) and quoted in the United States on the OTCQX International under the symbol 'EDVMF'. The Corporation is incorporated in the Cayman Islands and its registered office is located at 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands.

The Corporation has been taking steps to monitor and address the risks in response to the COVID-19 pandemic and their impact on the Corporation's operations (Note 7).

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The historical financial information have been prepared in accordance with UK adopted international accounting standards ("UK-IFRS"). All amounts presented in US dollars, except as otherwise indicated. References to C$, Euro, CFA are to Canadian dollars, the Euro, and the Central African Francs, respectively.

Basis of preparation

The historical financial information have been prepared on the historical cost basis, except for the acquisition of SEMAFO Inc. ("SEMAFO") (Note 4), the fair value of certain mining interests which were evaluated for impairment (Note 5), and certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies below. The Corporation's accounting policies have been applied consistently to all periods in the preparation of these historical financial information, except for the adoption of new accounting standards described in note 2(q) below.

Basis of consolidation

The historical financial information incorporate the financial statements of the Corporation and entities controlled by the Corporation ("Subsidiaries").

Control is achieved when the Corporation has (i) power over the investee; (ii) is exposed, or has rights, to variable returns from its involvement with the investee and (iii) has the ability to use its power to affect its returns. Subsidiaries are included in the consolidated financial results of the Corporation from the effective date of acquisition up to the effective date of disposition or loss of control. The Corporation reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Details of the Corporation's material subsidiaries at the end of the reporting period are as follows:

Entities	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held		
			December 31, 2018	December 31, 2019	December 31, 2020
Agbaou Gold Operations S.A.	Gold Operations	Côte d' Ivoire	85%	85%	85%
Société des Mines d'Ity S.A.	Gold Operations	Côte d' Ivoire	80%	85%	85%
Société des Mines de Daapleu S.A.	Gold Operations	Côte d' Ivoire	85%	85%	85%
Hounde Gold Operations S.A.	Gold Operations	Burkina Faso	90%	90%	90%
Bouere Dohoun Gold Operations SA	Gold Operations	Burkina Faso	90%	90%	90%
Riverstone Karma S.A.	Gold Operations	Burkina Faso	90%	90%	90%
Semafo Burkina Faso S.A.	Gold Operations	Burkina Faso	—%	—%	90%
Semafo Boungou S.A.	Gold Operations	Burkina Faso	—%	—%	90%
Endeavour Gold Corporation	Holding	Cayman	100%	100%	100%
Karma Mining Holdings Ltd.	Holding	Barbados	100%	100%	100%
Semafo Inc.	Holding	Quebec	—%	—%	100%
Burkina Faso Gold SARL	Exploration	Burkina Faso	100%	100%	100%
Mana Minéral SARL	Exploration	Burkina Faso	—%	—%	100%
Birimian Resources SARL	Exploration	Burkina Faso	—%	—%	100%
La Mancha Côte d'Ivoire SàRL	Exploration	Côte d' Ivoire	100%	100%	100%
Société des Mines d'Or de Kalana	Project	Mali	80%	80%	80%

a. Foreign currency translation

The presentation and functional currency of the Corporation is the US dollar. The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which the entity operates (its functional currency). In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates at the date of the transaction.

b. Business combinations

A business combination is defined as an acquisition of assets and liabilities that constitute a business and is accounted for using the acquisition method. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return to the Corporation and its shareholders in the form of dividends, lower costs or other economic benefits. A business consists of inputs, including non-current assets, and processes, including operational processes, that when applied to those inputs, have the ability to create outputs that provide a return to the Corporation and its shareholders. A business also includes those assets and liabilities that do not necessarily have all the inputs and processes required to produce outputs but can be integrated with the inputs and processes of the Corporation to create outputs. When acquiring a set of activities or assets in the exploration and development stage, which may not have outputs, the Corporation considers other factors to determine whether the set of activities or assets is a business.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Corporation reports in its financial statements provisional amounts for the items for which the accounting is incomplete.

During this measurement period, if necessary, the Corporation will retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. During the measurement period, the Corporation will also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Corporation receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable and shall not exceed one year from the acquisition date.

The consideration transferred in a business combination is measured at its acquisition date fair value. The acquisition date is the date the Corporation obtains control over the acquiree, which is generally the date that consideration is transferred, and the Corporation acquires the assets and assumes the liabilities of the acquiree. The Corporation considers all relevant facts and circumstances in determining the acquisition date. When the consideration includes a contingent consideration arrangement, it is measured at its acquisition date fair value and included as part of the consideration. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. For those changes to the fair value of the contingent consideration which do not qualify as measurement period adjustments are remeasured at fair value at subsequent reporting dates with changes in fair value recognized in earnings, except for those classified as equity, which are not remeasured.

Acquisition-related costs, other than costs to issue equity securities, of the acquirer are expensed as incurred. The costs to issue equity securities of the Corporation as consideration for the acquisition are reduced from share capital as share issue costs.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the Corporation's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction by transaction basis. All other components of non-controlling interests are measured at acquisition date fair values or, when applicable on the basis specified in another IFRS.

The excess of (i) total consideration transferred by the Corporation, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree, over the acquisition-date fair value of net assets acquired, is recorded as goodwill. If the acquisition-date fair value of net assets required exceeds the total of (i) total consideration transferred by the Corporation, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree, the excess is recognized immediately as a bargain purchase gain in the consolidated statement of comprehensive earnings/(loss).

Goodwill is not amortized; rather it is tested annually for impairment or at any time during the year that an indicator of impairment is identified.

c. Discontinued operations and assets and liabilities held for sale

Non-current assets, or disposal groups, are classified as held for sale when it is highly probable that their carrying value will be recovered primarily through a sale transaction rather than through continuing use. Non-current assets and disposal groups are measured at the lower of their carrying amount and fair value less cost of disposal ("FVLCD"). Once non-current assets and disposal groups are recognized as held for sale they are no longer depreciated or amortized.

If the FVLCD is less than the carrying value of the non-current assets or disposal group on initial classification as held for sale, an impairment loss is recognized in the consolidated statement of comprehensive income/(loss). Any subsequent gains and losses on remeasurement are recognized in the consolidated statement of comprehensive income/(loss).

Non-current assets and liabilities and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

A discontinued operation is a component of the Corporation that can be clearly distinguished from the rest of the Corporation and which represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations, or is a subsidiary acquired exclusively with a view to re-sale. A component is classified as a discontinued operation when it is disposed of, or when the operation meets the criteria to be classified as held for sale, whichever event occurs first. The results of discontinued operations are presented separately in the consolidated statement of comprehensive earnings/(loss).

d. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash balances held with banks and brokers and highly liquid short-term investments with terms of three months or less. There were no material cash equivalents at December 31, 2020, December 31, 2019 and December 31, 2018.

Restricted cash consists of cash and cash equivalents unavailable for use by the Corporation or its subsidiaries due to certain restrictions that may be in place are classified as other financial assets.

e. Inventories

Supplies are valued at the lower of weighted average cost and net realizable value. Any provision for obsolescence is determined by reference to specific inventory items identified. A regular and ongoing review is undertaken to establish the extent of surplus items and a provision is made for any potential loss upon disposal.

Finished goods, gold in circuit, and stockpiled ore are valued at the lower of weighted average production cost and net realizable value. Production costs include the cost of raw materials, direct labour, mine-site overhead expenses and depreciation and depletion of mining interests. Net realizable value is calculated as the estimated price at the time of sale based on prevailing metal prices less estimated future production costs to convert the inventories into saleable form.

Ore extracted from the mines is stockpiled and subsequently processed into finished goods in the form of doré bars. Production costs are capitalized and included in gold in circuit inventory based on the current mining costs incurred up to the point prior to the refining process, including applicable overhead, depreciation and depletion relating to mining interests, and removed at the weighted average production cost per recoverable ounce of gold. The production costs of finished goods represent the weighted average costs of gold in circuit inventories incurred prior to the refining process, plus applicable refining costs. Stockpiles are classified as non-current if the timing of their planned usage is longer than twelve months.

f. Mining interests

Mining interests include interests in mining properties and related plant and equipment. The cost of a mining interest or property acquired as an individual asset purchase or as part of a business combination represents its fair value at the date of acquisition.

Mining interests are classified as depletable when operating levels intended by management have been reached. Prior to this, they are classified as non-depletable mining properties.

Non-depletable mining interests include development stage projects as well as exploration and evaluation assets, which are comprised of those properties with mineral resources and exploration potential, often referred to as value beyond proven and probable reserves. When acquired as part of an asset acquisition or a business combination, the value associated with these assets are capitalized at cost, which represents the fair value of the assets at the time of acquisition determined by estimating the fair value of a mining interests mineral reserves, resources, and exploration potential at that date. At least annually or when otherwise appropriate, the carrying amounts and the mineral reserves and resources of non-depletable mining properties are reviewed and a portion of the carrying amount is reclassified to the related depletable mining interest as a result of the conversion of resource or exploration potential into reserves that have reached operating levels intended by management.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capitalized costs associated with mining properties include the following:

i. Costs of direct acquisitions of production, development and exploration stage properties;

ii. Costs attributed to mining properties acquired in connection with business combinations;

iii. Expenditures related to the development of mining properties;

iv. Expenditures related to economically recoverable exploration;

v. Borrowing costs incurred directly attributable to qualifying assets;

vi. Certain costs incurred during production, net of proceeds from sales prior to reaching operating levels intended by management; and

vii. Estimates of reclamation and closure costs.

Drilling and related costs that are for general exploration, incurred on sites without an existing mine, or on areas outside the boundary of a known mineral deposit which contains proven and probable reserves are classified as greenfield exploration expenditures and are expensed as incurred. Drilling and related costs incurred to define and delineate a mineral deposit that has not been classified as proven and probable reserves at a development stage or production stage mine are classified as brownfield activities and are capitalized as part of the carrying amount of the related property in the period incurred, when management determines that there is sufficient evidence that the expenditure will result in a future economic benefit to the Corporation.

The carrying values of the Corporation's exploration and evaluation assets are carried at acquired costs until such time as the technical feasibility and commercial viability of extracting mineral resource from the assets is demonstrated, which occurs when the activities are designated as a development project and advancement of the project is considered economically feasible. At that time, the property and the related costs are reclassified as a development stage mining interest, though not yet subject to depletion, and remain capitalized. Prior to reclassification, the mining interest is assessed for impairment. Further exploration expenditures, subsequent to the establishment of economic feasibility, are capitalized and included in the carrying amount of the related property.

Borrowing costs are capitalized when they are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use or sale. Borrowing costs are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalized is calculated using a weighted average of the rates applicable to the relevant borrowings during the period. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Commercial production is deemed to have commenced when a mining interest can operate at levels intended by management. This is achieved when management determines that the operational commissioning of major mine and plant components is complete, operating results are being achieved consistently for a period of time and that there are indications that these operating results will continue.

The Corporation determines commencement of commercial production based on the following factors:

i. All major capital expenditures to bring the mine to the condition necessary for it to be capable for operating in the manner intended by management have been completed;

ii. The completion of a reasonable period of testing of the mine plant and equipment;

iii. The mine or mill has reached a pre-determined percentage of design capacity; and

iv. The ability to sustain ongoing production of ore.

The list is not exhaustive, and each specific circumstance is considered before making the decision.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Mining expenditure incurred to maintain current production are included in profit or loss, in current production areas development costs are considered as costs of sales given that the short-term nature of these expenditures matches the economic benefit of the ore being mined.

The carrying amounts of mining properties are depleted using the unit-of-production method over the estimated recoverable ounces, when operating levels intended by management for the mining properties have been reached. Under this method, depletable costs are multiplied by the number of ounces extracted divided by the estimated total ounces to be extracted in current and future periods based on proven and probable reserves and a portion of resources.

Management reviews the estimated total recoverable ounces contained in depletable reserves and resources each financial year and when events and circumstances indicate that such a review should be made. Changes to estimated total recoverable ounces contained in depletable reserves and resources are accounted for prospectively.

Mining properties are recorded at cost less accumulated depletion and impairment losses.

Stripping costs

Capitalization of waste stripping requires the to make judgements and estimates in determining the amounts to be capitalized. In open pit mining operations, it is necessary to incur costs to remove overburden and other mine waste materials in order to access the ore body ("stripping costs"). During the development of a mine, stripping costs are capitalized and included in the carrying amount of the related mining property. During the production phase of a mine, stripping costs will be recognized as an asset only if the following conditions are met:

i. It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;

ii. The entity can identify the component of the ore body (mining phases) for which access has been improved; and

iii. the costs relating to the stripping activity associated with that component can be measured reliably.

Stripping costs incurred and capitalized during the development and production phase are depleted using the unit-of-production method over the reserves and, in some cases, a portion of resources of the area that directly benefit from the specific stripping activity. Costs incurred for regular waste removal that do not give rise to future economic benefits are considered as costs of sales and included in operating expenses.

Plant and equipment and assets under construction

Plant and equipment are recorded at cost less accumulated depreciation and impairment losses. Plant and equipment are depreciated using the unit- of production method based on ounces produced, or the straight-line method over the estimated useful lives of the related assets as follows:

i. Mobile equipment	3–8 years
ii. Aircrafts	25 years
iii. Office and computer equipment	3–5 years

Right-of-use assets are depreciated over their expected useful lives on the same basis as owned assets, or, where shorter, the term of the relevant lease.

Where parts (components) of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment. Each asset or parts estimated useful life is determined considering its physical life limitations. This physical life of each asset cannot exceed the life of the mine at which the asset is utilized. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Amounts expended on assets under construction are capitalized until the asset becomes available for its intended use, at which time depreciation commences on the assets over its useful life. Repairs and maintenance of plant and equipment are expensed as incurred. Costs incurred to enhance the service potential of plant and equipment are capitalized and depreciated over the remaining useful life of the improved asset.

Upon disposal or abandonment, the carrying amounts of mining interests and plant and equipment and accumulated depreciation and depletion are removed from the accounts and any associated gains or losses are recorded in profit or loss.

g. Impairment of mining interests

At each reporting date, the Corporation reviews the carrying amounts of its mining interests to determine if any indicators of impairment exist. If any such indicators exist, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. The Corporation's CGU's are its significant mine sites and development projects. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of FVLCD and value in use. FVLCD is calculated as the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. In the absence of market information, this is determined based on the present value of the estimated future cash flows from the development, use, eventual disposal of the asset, or the price a third party is willing to pay for the asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or a cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Impairment losses reverse in some circumstances. When an impairment loss subsequently reverses, it is recognized immediately in profit or loss. The carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years.

If applicable, the Corporation performs goodwill impairment tests annually or when events and circumstances indicate that the carrying amounts may no longer be recoverable. In performing the impairment tests, the Corporation estimates the recoverable amount of its cash-generating units that include goodwill and compares recoverable amounts to the cash-generating unit's carrying amount. If a cash-generating unit's carrying amount exceeds its recoverable amount, the Corporation reduces the carrying value of the cash-generating unit or group of cash-generating units by first reducing the carrying amount of the goodwill and then reducing the carrying amount of the remaining assets on a pro-rata basis. Impairment of goodwill cannot be reversed.

h. Leases

IAS 17 accounting policy applied until December 31, 2018

Leases in which the Corporation assumes substantially all risks and rewards of ownership are classified as finance leases. Assets held under finance leases are recognized at the lower of the fair value and the present value of minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

All other leases are classified as operating leases. Operating lease payments are recognized as an operating cost in profit or loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which benefits from the leased asset are consumed.

IFRS 16 accounting policy applied starting January 1, 2019

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Corporation assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Corporation has the right to direct the use of the asset. At inception or on reassessment of a contract due to modification that contains a lease component, the Corporation allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Corporation recognizes a right-of-use asset, which is included in mining interests, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

i. fixed payments, including in-substance fixed payments, less any lease incentives receivable;

ii. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

iii. amounts expected to be payable under a residual value guarantee;

iv. exercise prices of purchase options if the Corporation is reasonably certain to exercise that option; and

v. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to earnings/(loss) in the period incurred.

The Corporation has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to earnings/(loss) on a straight-line basis over the lease term.

i. Income and deferred taxes

The Corporation recognizes current income tax in the consolidated statement of comprehensive earnings/(loss) except to the extent that it relates to items recognized directly in equity. Current income tax is calculated on taxable income at the tax rate enacted or substantively enacted at the balance sheet date, and includes adjustments to tax payable or receivable in respect of previous periods.

The Corporation uses the liability method of accounting for income taxes. Under the liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for unused tax losses and other income tax deductions. Deferred income tax assets are recognized only to the extent that it is probably that future taxable profits will be available against which the temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill. A translation gain or loss may arise for deferred income tax purposes where the local tax currency is not the same as the functional currency for certain non-monetary items. A deferred tax asset or liability is recognized on the difference between the carrying amount for accounting purposes (which reflects the historical cost in the entity's functional currency) and the underlying tax basis (which reflects the current local tax cost, translated into the functional currency using the current foreign exchange rate). The translation gain or loss is recorded as deferred income tax in the statements of comprehensive income/(loss). Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply if the related assets are realized or the liabilities are settled. To the extent that it is probable that taxable profit will not be available against which deductible temporary differences can be utilized a deferred tax asset may not be recognized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period in which the change is substantively enacted. Deferred tax assets and liabilities are considered monetary assets. Deferred tax balances denominated in currencies other than US dollars are translated into US dollars using current exchange rates at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

j. Financial instruments

Financial assets and financial liabilities are recognized in the Corporation's statement of financial position when the Corporation becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ("FVTPL"). The directly attributable transaction costs of financial assets and liabilities classified as at FVTPL are expensed in the period in which they are incurred.

Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial assets at amortized cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are classified and measured subsequently at amortized cost.

Financial instruments at fair value through other comprehensive income ("FVTOCI")

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are classified and measured at FVTOCI. The Corporation's financial assets at FVTOCI include its equity securities designated as FVTOCI.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

On initial recognition, the Corporation may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other OCI. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument, instead, it is transferred to retained earnings.

Financial instruments at fair value through profit or loss ("FVTPL")

By default, all other financial assets are measured subsequently at FVTPL. Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Corporation after deducting all its liabilities. Equity instruments issued by the Corporation are recognized at the proceeds received, net of direct issue costs. Repurchase of the Corporation's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Corporation's own equity instruments.

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using effective interest method.

Impairment

The Corporation recognizes a loss allowance for expected credit losses on its financial assets. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

Derecognition of financial assets and liabilities

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Corporation neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the Corporation recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Corporation retains substantially all the risks and rewards of ownership of a transferred financial asset, the Corporation continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

The Corporation derecognizes financial liabilities when, and only when, the Corporation's obligations are discharged, cancelled or they expire. The difference between carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and a separate instrument with the same terms as the embedded derivative would also meet the definition of a derivative.

k. Environmental rehabilitation provisions

The Corporation's mining and exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. The Corporation records a liability for the estimated future rehabilitation costs and decommissioning of its operating mines and development projects at the time the environmental disturbance occurs, or a constructive obligation is determined.

Environmental rehabilitation provisions are measured at the expected value of future cash flows including expected inflation and discounted to their present value using the current market assessment of the time value of money. The unwinding of the discount, referred to as accretion expense, is included in finance costs and results in an increase in the amount of the provision.

When provisions for closure and environmental rehabilitation are initially recognized, the corresponding cost is capitalized as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalized cost of closure and environmental rehabilitation activities is recognized in mining interests and amortized over the expected useful life of the operation to which it relates.

Environmental rehabilitation provisions are updated annually for changes to expected cash flows and for the effect of changes in the discount rate, and the change in estimate is added or deducted from the related asset and depreciated over the expected useful life of the operation to which it relates.

l. Revenue recognition

Revenue from the sale of gold in bullion and doré bar form is recognized when the Corporation has transferred control of the gold to the customer at an amount reflecting the consideration the Corporation expects to receive in exchange for those products. In determining whether the Corporation has satisfied a performance obligation, it considers the indicators of the transfer of control, which include, but are not limited to, whether: the Corporation has a present right to payment; the customer has legal title to the asset; the Corporation has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the asset. Control is transferred when the Corporation enters into a transaction confirmation for the transfer of gold which is either at date at which the refining process is completed or at the point of shipment at the gold room at the mines. Revenue is measured at the transaction price agreed under the contracts, and is due immediately upon transfer of the gold to the customer.

m. Share capital

Common shares are classified as share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

n. Earnings per share

Earnings per share calculations are based on the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is calculated using the treasury stock method, whereby the proceeds from the exercise of potentially dilutive common shares with exercise prices that are below the average market price of the underlying shares are assumed to be used in purchasing the Corporation's common shares at their average market price for the period.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Share-based payment arrangements

Equity settled share-based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date.

Performance share units ("PSUs") are settled in shares of the Corporation. The fair value of the estimated number of PSUs that will eventually vest, determined at the date of grant, is recognized as share-based compensation expense over the vesting period, with a corresponding amount recorded as equity. The fair value of the PSUs is estimated using the market value of the underlying shares as well as assumptions related to the market and non-vesting conditions at the grant date. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Management re-evaluates the assumptions related to the non-market conditions periodically for changes in the number of options that are expected to ultimately vest.

Equity settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Corporation obtains the goods or the counterparty renders the service.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded basis over the vesting period, based on the Corporation's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Corporation revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity reserve.

Cash settled share-based payments to employees and other providing similar services are measured at the fair value of the instrument at the grant date and every reporting period, with changes in fair value recognized through profit or loss and a corresponding amount recorded as a liability.

Exchanges of share options or other share-based payment awards in conjunction with a business combination are accounted for as modifications of the share-based payments awards. Where the Corporation is obliged to replace the acquiree awards, either all or a portion of the market-based measure of the Corporation's replacement awards is included in measuring the consideration transferred in the business combination. In determining the portion of the replacement award that is part of the consideration transferred for the acquiree, both the replacement awards and the acquiree awards are measured at the acquisition date. The portion of the replacement awards that is included in measuring the consideration transferred in a business combination equals the market-based measure of the acquiree awards multiplied by the ratio of the portion of the vesting period completed to the greater of the total vesting period or the original vesting period of the acquiree award. The excess of the market-based measure of the replacement awards over the market-based measure of the acquiree awards included in measuring the consideration transferred is recognized as remuneration cost for post transaction service.

p. Provisions

Provisions are recorded when a present legal or constructive obligation arises as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the obligation. The increase in the provision due to passage of time is recognized as finance expense and included in finance costs in the statement of comprehensive earnings/(loss).

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Application of new and changes in existing accounting standards

The Corporation has adopted the following new IFRS standards for the annual period beginning on January 1, 2019.

IFRIC 23: Uncertainty over Income Tax Treatments ("IFRIC 23"):

The Corporation adopted IFRIC 23, Uncertainty over Income Tax Treatments, which clarifies the application of the recognition and measurement requirements in IAS 12, Income Taxes. IFRIC 23 explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by a tax authority. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or less, the tax bases of assets and liabilities, tax losses and credits and tax rates. The Corporation has concluded that IFRIC 23 did not have a material impact on the historical financial information.

IFRS 16: Leases ("IFRS 16"):

IFRS 16 Leases (effective January 1, 2019), was issued in January 2016, which replaces IAS 17 "Leases" and provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases, with exemptions for lease terms 12 months or less, or if the underlying asset has a low value.

The Corporation has adopted IFRS 16 for the annual period beginning January 1, 2019 using the modified retrospective approach and therefore the comparative information has not been restated and the cumulative effect of initially applying IFRS 16 has been recorded on January 1, 2019 for any differences identified, including adjustments to the opening retained earnings balance.

On transition to IFRS 16, the Corporation recognized lease liabilities for leases which were previously classified as operating leases under IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the rate that reflects the asset's applicable incremental borrowing rate at each operation as of January 1, 2019. The weighted average incremental borrowing rate applied to the lease liabilities on January 1, 2019 is 6.9%.

The Corporation has made use of the following practical expedients available on transition to IFRS 16:

- Measure the right-of-use assets equal to the lease liability calculated for each lease;
- Apply the recognition exemptions for low value leases and leases that end within 12 months of the date of initial application, and account for them as low value and short-term leases, respectively;
- Reliance on previous assessments on whether leases are onerous;
- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The impact to the Corporation's historical financial information at January 1, 2019 was as follows:

	January 1, 2019
Lease obligations as at December 31, 2018	12,948
Effect from discounting at the incremental borrowing rate as at January 1, 2019	(1,312)
Lease liabilities due to initial application of IFRS 16 as at January 1, 2019	11,636
Less: current portion	(4,364)
Long-term portion	**$ 7,272**

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Corporation has adopted the following new IFRS standard for the annual period beginning on January 1, 2020:

Amendments to IAS 1 and IAS 8: Definition of Material

The Corporation adopted amendments to IAS 1, Presentation of Financial Statements ("IAS 1") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors as at January 1, 2020. The amendments provided a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarified that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The amendments had no impact on the consolidated financial statements.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Corporation's financial statements that the Corporation reasonably expects will have an impact on its disclosures, financial position or performance when applied at a future date, are disclosed below. The Corporation intends to adopt these standards when they become effective. Other standards and interpretations that are issued, but not yet effective, which are not expected to impact the Corporation have not been listed.

Amendments to IAS 16: Proceeds before Intended Use

In May 2020, the IASB issued amendments to IAS 16, Property, Plant and Equipment ("IAS 16"), which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The Corporation is currently evaluating the impact of adopting amendments to IAS 16 on its consolidated financial statements in future periods.

Amendments to IFRS 1: Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Corporation is evaluating the impact of this standard on the classification of its non-current debt, in particular the convertible senior notes.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform—Phase 2

On 27 August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform—Phase 2.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

These amendments complement those made in 2019 ('IBOR—phase 1') and focus on the effects on entities when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform.

The amendments in this final phase relate to:

i. changes to contractual cash flows—a company will not have to derecognize or adjust the carrying amount of financial instruments for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;

ii. hedge accounting—a company will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and

iii. disclosures—a company will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

The amendments are effective for periods beginning on or after 1 January 2021. Management is evaluating the impact of the reform on its long-term debt as well as its disclosures.

3 CRITICAL JUDGEMENTS AND KEY ESTIMATES

The preparation of the Corporation's historical financial information in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures. These assumptions, judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the historical financial information. Management reviews its estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The critical judgements that the Corporation's management has made in the process of applying the Corporation's accounting policies, that have the most significant effect on the amounts recognized in the Corporation's historical financial information are as follows:

Commencement of commercial production

Prior to a mine being capable of operating at levels intended by management, costs incurred are capitalized as part of the costs of related mining properties and proceeds from mineral sales are offset against costs capitalized. The Corporation defines the commencement of commercial production as the date that a mine operates at the levels intended by management. Management considers several factors in determining when commercial production has been reached. Depletion of capitalized costs for mining properties begins when the mine is capable of operating at levels intended by management.

The Corporation determined that the Ity CIL ("Carbon-in-Leach") project entered commercial production on April 8, 2019.

Determination of economic viability

Management has determined that exploratory drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

3 CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Capitalization of waste stripping

Capitalization of waste stripping requires the Corporation to make judgements and estimates in determining the amounts to be capitalized. These judgements and estimates include, amongst others, the expected stripping ratio for each separate open pit, the determination of what defines separate pits, and the expected ounces to be extracted from each component of a pit.

Indicators of impairment

The Corporation considers both internal and external information in its process of determining whether there are any impairment indicators on any of its assets. Management considers the following external factors to be relevant: Changes in the market capitalization of the entity, changes in the long-term gold price expectations, or changes in the technological, market, economic or legal environment in which the entity operates, or in the market to which the asset is dedicated. Management considers the following internal factors to be relevant: changes in the estimates of recoverable ounces, significant movements in production costs and variances of actual production costs when compared to budgeted production costs, production patterns and whether production is meeting planned budget targets, changes in the level of capital expenditures required at the mine site, changes in the expected cost of dismantling assets and restoring the site, particularly towards the end of a mine's life.

Assets held for sale and discontinued operations

The Corporation needs to apply judgment when determining whether an asset or disposal group should be classified as held for sale. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition and its sale must be highly probable. The following factors are considered by management in determining whether a sale is highly probable: Management must be committed to a plan to sell the asset or disposal group; An active program to locate a buyer and complete the plan must have been initiated; The asset must be actively marketed for sale at a reasonable price; The sale should be expected to be completed within 12 months of classification of the asset or disposal group as held for sale. Based on the above factors, management considered that the Agbaou mine was an asset held for sale at December 31, 2020.

Judgement is required when determining whether a component of an entity classifies as a discontinued operation. A component of the Corporation should be classified as a discontinued operation when it has been disposed of, or if it is classified as held for sale, and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Judgement is required when determining whether the component represents a separate major line of business or geographical area of operations. This was applied to the classification of the Agbaou mine as a discontinued operation. The Agbaou mine is considered a major geographical area of operations which has been reported as a separate segment in the past, and as such we have determined the classification of a discontinued operation to be appropriate.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Corporation's assets and liabilities are as follows:

Fair value of assets acquired and liabilities assumed

When the Corporation obtains control of a business the business combination is accounted for using the acquisition method of accounting. By applying this method all assets acquired and liabilities assumed are to be measured at fair value at acquisition date. The excess of the purchase consideration over the fair value of the net assets and liabilities acquired (if any) is recognized as goodwill. If the fair values of the net assets and liabilities assumed are more than the purchase consideration, the excess is recognized as a bargain purchase gain in the statement of comprehensive earnings/(loss). The determination of fair value often requires management to make estimates and assumptions regarding future events which include, but are not limited to,

3 CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

future gold prices, projected production levels, life of mine plans, future reserves and resources, operating costs, capital expenditures, and discount rates (Note 4).

Value added tax ("VAT")

Included in trade and other receivables are recoverable VAT balances owing mainly by the fiscal authorities in Burkina Faso, and Côte d'Ivoire. The Corporation is following the relevant process in each country to recoup the VAT balances owing and continues to engage with authorities to estimate if all amounts are recoverable and to accelerate the repayment of the outstanding VAT balances.

Impairment of mining interests

In determining the recoverable amounts of the Corporation's mining interests, management makes estimates of the discounted future cash flows expected to be derived from the Corporation's mining properties, costs to sell the mining properties and the appropriate discount rate. The projected cash flows are significantly affected by changes in assumptions about gold's selling price, future capital expenditures, changes in the amount of recoverable reserves, resources, and exploration potential, production cost estimates, discount rates and exchange rates. Reductions in gold price forecasts, increases in estimated future costs of production, increases in estimated future non-expansionary capital expenditures, reductions in the amount of recoverable reserves, resources, and exploration potential, and/or adverse current economics can result in a write-down of the carrying amounts of the Corporation's mining interests (Note 5).

Estimated recoverable ounces

The carrying amounts of the Corporation's mining interests are depleted based on the estimated recoverable ounces for each mine. Changes to estimates of recoverable ounces due to revisions to the Corporation's mine plans and changes in gold price forecasts can result in a change to future depletion rates.

Mineral reserves

Mineral reserves and mineral resources are determined in accordance with Canadian Securities Administrator's National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mineral reserve and resource estimates include numerous estimates. Such estimation is a subjective process, and the accuracy of any mineral reserve or resource estimate is dependent on the quantity and quality of available data and on the assumptions made and judgements used in engineering and geological interpretation. Changes to management's assumptions including economic assumptions such as gold prices and market conditions could have a material effect in the future on the Corporation's financial position and results of operations.

Environmental rehabilitation costs

The provisions for rehabilitation are based on the expected costs of environmental rehabilitation and inputs used to determine the present value of such provisions and the related accretion expense using the information available at the reporting date. To the extent the actual costs differ from these estimates, adjustments will be recorded and the profit or loss and future cash flows may be impacted.

Share-based payments

Numerous assumptions are made when accounting for share-based payments including the expected life of the contract, the volatility, the number of awards that are expected to vest, and the likelihood of the market and non-market conditions being met. Changes to these assumptions may alter the value of the share-based payment and ultimately the amount charged to profit or loss.

Inventories

The measurement of inventory and the determination of net realizable value involves the use of estimates. This is especially the case when determining the net realizable value of stockpiles. Estimation is required when

3 CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

determining completion costs to bring the stockpile inventory to a condition ready for sale, total tonnes included in the stockpiles and the recoverable gold contained therein. Other estimates include future gold prices, recovery rates, production cost forecasts and production plans.

Estimation is also required when determining whether to recognize a provision for obsolete stock, in particular as it relates to the amount of time the stock has been on hand and whether there are alternative uses for the consumables prior to recognizing a provision for stock.

Current income taxes

The Corporation operates in numerous countries, and accordingly it is subject to, and pays annual income taxes under the various income tax regimes in the countries in which it operates. Significant judgement is required in the interpretation or application of certain tax rules when determining the provision for income taxes due to the complexity of the legislation. From time to time the Corporation is subject to a review of its income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Corporation's business conducted within the country involved. Management evaluates each of the assessments and recognizes a provision based on its best estimate of the ultimate resolution of the assessment, through either negotiation or through a legal or arbitrative process. In the event that management's estimate of the future resolution of these matters change over time, the Corporation will recognize the effects of the changes in its historical financial information in the period that such changes occur.

4 ACQUISITIONS AND DIVESTITURES

In the year ended December 31, 2020, the Corporation incurred $39.8 million (December 31, 2019–$4.6 million, December 31, 2018–$ nil) of acquisition related costs, relating to advisory, legal, valuation and other professional fees, primarily with respect to the acquisition of SEMAFO, the disposal of the Agbaou CGU and the acquisition of Teranga Gold Corporation (Note 26). These costs are expensed as acquisition and restructuring costs within the consolidated statement of comprehensive earnings/(loss) .

a. Acquisition of SEMAFO

On July 1, 2020, the Corporation completed the acquisition of SEMAFO. SEMAFO was a gold mining company listed on the TSX with two operating mines in West Africa: the Mana and Boungou mines in Burkina Faso as well as certain exploration stage assets. The acquisition of SEMAFO supported the Corporation's growth strategy and enhanced the Corporation's production profile.

Under the terms of the transaction, the Corporation acquired 100% of the issued and outstanding shares of SEMAFO at an exchange rate of 0.1422 Endeavour share for each outstanding SEMAFO share, which resulted in the issuance of 47,561,205 common shares of Endeavour. Given the issuance of Endeavour common shares as a result of the transaction, the relative voting rights of the Endeavour and SEMAFO shareholders subsequent to the transaction being completed, Endeavour has been identified as the acquirer and has accounted for the transaction as a business combination.

Following the acquisition of SEMAFO, La Mancha Holding S.àr.l. ("La Mancha") exercised its anti-dilution right to maintain its interest in the Corporation and completed a $100.0 million private placement for 4,507,720 shares of Endeavour (Note 6).

As of the date of these consolidated financial statements, the determination of the fair value of assets acquired and liabilities assumed is based on preliminary estimates at the date of acquisition and has not been finalized. The Corporation retained an independent appraiser to determine the fair value of the assets acquired and liabilities assumed, using income, market and cost valuation methods. The excess of total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill, which is not deductible for tax purposes. The goodwill balance is attributable to the recognition of a deferred tax liability from the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The non-controlling interest is measured at its proportionate share of the fair value of net assets.

4 ACQUISITIONS AND DIVESTITURES (Continued)

The Corporation is still in the process of finalizing the fair values of the mining interests acquired, which are estimated using discounted cash flow models, where the expected future cash flows are based on estimates of future gold prices, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on the life of mine plans at the acquisition date. In addition to the fair value of the mining interests, the evaluation of the liabilities and tax contingencies assumed, and the resulting determination of the deferred taxes, are all subject to change at December 31, 2020 if information arises which would impact management's assessment of the fair value at the acquisition date. The actual fair values of the assets and liabilities may differ materially from the amounts disclosed in the preliminary fair value below, and the amount recognized as goodwill may change. Any adjustments to the allocation of the purchase consideration will be recognized retrospectively and comparative information will be revised. Adjustments to the purchase price allocation can be made throughout the measurement period, which is not to exceed one year from the acquisition date.

The consideration and preliminary allocation to the value of assets acquired and liabilities assumed are as follows:

	Preliminary purchase price allocation	Adjustments	Revised preliminary purchase price allocation
Purchase price:			
Fair value of 47.6 million Endeavour common shares issued	1,151,328	—	1,151,328
	1,151,328	**—**	**1,151,328**
Net assets/(liabilities) acquired			
Cash	92,981	—	92,981
Net working capital acquired (excluding cash)	108,530	(544)	107,986
Mining interests	1,470,691	(151,104)	1,319,587
Goodwill	—	98,704	98,704
Restricted cash	24,000	—	24,000
Other long-term assets	7,505	—	7,505
Current portion of long-term debt	(29,758)	—	(29,758)
Lease liabilities	(24,044)	—	(24,044)
Income taxes payable	(54,341)	18,248	(36,093)
Other long-term liabilities	(40,883)	222	(40,661)
Deferred tax	(287,159)	24,482	(262,677)
Non-controlling interest	(116,194)	9,992	(106,202)
Net Assets	**1,151,328**	**—**	**1,151,328**

During the fourth quarter of 2020, the Corporation adjusted the fair values of certain assets acquired and liabilities assumed in the acquisition, in particular as it relates to spare parts and supplies inventory, mining interests, and liabilities with respect to certain income tax positions. Management revised its life of mine plans for the Mana and Boungou mines, and the expected ounces to be produced over the life of mine, which resulted in a change in their fair values. As a result of the above adjustments, the deferred tax liabilities were also adjusted to reflect the tax impact of these changes. The significant assumptions used in the determination of the fair value of the mining interests were as follows:

Assumption	Mana	Boungou
Gold price—2020 to 2024	$1,550 to $1,883 per ounce	$1,550 to $1,865 per ounce
Long-term gold price	$1,485 per ounce	$1,485 per ounce
Discount rate	6.25%	6.75%
Mine life	12.5 years	14.5 years
Average grade over life of mine	3.09 g/t	3.52 g/t
Average recovery rate	87%	92%

4 ACQUISITIONS AND DIVESTITURES (Continued)

As a result of the change in the fair values of the mining interests, depletion expense for the six months from July 1, 2020 to December 31, 2020, was decreased retrospectively by $27.5 million to reflect the change in the value of the mining interests.

Consolidated revenue for the year ended December 31, 2020 includes revenue from the date of acquisition from the assets acquired in the acquisition of SEMAFO of $420.9 million. The consolidated earnings for the year ended December 31, 2020 includes net earnings before tax from the date of acquisition from SEMAFO of $115.8 million. Had the transaction occurred on January 1, 2020, the pro forma unaudited consolidated revenue and net earnings before taxes for the year ended December 31, 2020 would have been approximately $1,663.2 million and $245.7 million, respectively.

b. Disposal of the Tabakoto mine

On December 24, 2018, the Corporation completed the sale of its interest in the Tabakoto mine to Algom Resources Limited, a subsidiary of BCM Investments Ltd, for a total consideration of up to $70.0 million. The total consideration was composed of an upfront cash consideration of $35.0 million, a deferred cash consideration of $10.0 million in 2019, and a 10% net smelter royalty (NSR) of up to a maximum of 200,000 ounces of gold from the Dar Salaam deposit.

The Corporation recognized a loss on disposal of $68.7 million, net of tax, calculated as follows:

	December 24, 2018
Cash proceeds	35,000
Cash consideration receivable	8,804
Net smelter royalty	13,322
Transaction Costs	(2,478)
Total proceeds	54,648
Cash and short-term deposits	1,821
Restricted cash	142
Trade and other receivables	245
Prepaid expenses and other	7,135
Inventory[1]	19,528
Mining interests	92,661
Taxes Receivable	4,059
Total Assets	125,591
Accounts payable and accrued liabilities	(41,940)
Environmental rehabilitation provision	(17,181)
Total liabilities	(59,121)
Net Assets	66,470
Non-controlling interest	(56,896)
Net assets attributable to Endeavour	123,366
Loss on disposition	(68,718)

(1) Includes an increase to the inventory provision of $18.9 million to adjust spare parts and supplies inventory to net realizable value following an assessment of inventory balances due to new equipment acquired in the 2018 year.

4 ACQUISITIONS AND DIVESTITURES (Continued)

The components of net loss from discontinued operations for the year ended December 31, 2018 were as follows:

	2018
Gold revenue	142,764
Operating costs	(141,798)
Impairment of mining interests[(1)]	(31,957)
Depreciation and depletion	(13,131)
Royalties	(8,747)
Other expenses	(26,039)
Loss on disposal[(1)]	(68,718)
Loss before taxes	**(147,626)**
Current income tax expense	(7,169)
Net loss from discontinued operations	**(154,795)**
Shareholders of Endeavour Mining Corporation	(144,790)
Non-controlling interest	(10,004)
Total loss from discontinued operations	**(154,795)**
Net loss per share from discontinued operations	
Basic	$ (1.44)
Diluted	$ (1.44)

(1) The Corporation recognized an impairment of the mining interest at September 30, 2018 based on the fair value less costs to sell at that date. Upon finalization of the disposal, and amendment to the agreement, a loss on disposal of $68.7 million was recognized.

The cash flows from discontinued operations for the year ended December 31, 2018 were as follows:

	2018
Cash generated (used in)/generated from operating activities	(315)
Cash generated (used in)/generated from investing activities	(40,725)
Cash generated (used in)/generated from financing activities	(6,083)
Total	**(47,122)**

c. Disposal of Nzema mine

The Corporation disposed of its Nzema mine in the year ended December 31, 2017. Included in the statement of comprehensive loss for the year ended December 31, 2019 is an additional loss from discontinued operations of $4.4 million relating to a claim received from BCM Investments Ltd., who acquired the Nzema mine, for the payment of a tax and lease liability as determined under the sale agreement of Nzema mine.

d. Disposal of the Agbaou mine

On January 22, 2021, management announced that it had entered into an agreement to sell its 85% interest in the Agbaou mine cash generating unit ("CGU") to Allied Gold Corp Limited ("Allied"), which closed on March 1, 2021. The consideration upon sale of the Agbaou mine includes a cash payment of $20.0 million to be received during the first quarter of 2021, $40.0 million in Allied shares of which Endeavour has the option to sell the shares back to Allied at the issue price which expires on December 31, 2022 or earlier if Allied conducts an IPO before then, contingent consideration of up to $20.0 million comprised of $5.0 million payments for each quarter where the average gold price exceeds $1,900 per ounce, and a net smelter royalty ("NSR") on ounces produced in excess of the Agbaou reserves estimated as at December 31, 2019. The NSR royalty will be based on a sliding scale, linked to the average spot gold price as follows: 2.5% if the gold price is at least $1,400 per ounce, 2% if the gold price is at least $1,200 per ounce and less than $1,400 per ounce, 1% if the gold price is at least $1,000 per ounce and less than $1,200 per ounce, and 0% if the gold price is

4 ACQUISITIONS AND DIVESTITURES (Continued)

below $1,000 per ounce. The Agbaou CGU has been classified as an asset held for sale as at December 31, 2020 and a discontinued operation for the year then ended.

The results of operations have been restated for the current and comparative periods to reclassify the (loss)/earnings relating to Agbaou as (loss)/earnings from discontinued operations. All assets and liabilities relating to the Agbaou CGU have been classified as current assets/liabilities held for sale at December 31, 2020.

In classifying the Agbaou CGU as held for sale, an impairment assessment was completed to recognize the CGU at the lower of its carrying value and FVLCD. The FVLCD was valued using a market-based valuation approach based on the expected fair value of the consideration to be received upon closing of the disposal of $69.4 million, less estimated costs of disposal of $1.4 million, which resulted in an impairment of the mining interests at December 31, 2020 of $19.9 million. The fair value of the various aspects of the consideration were as follows (all of which, except for the cash, are classified as Level 3 fair value measurements):

- The cash was determined to have a fair value of $20.0 million, given it was expected to be received in the first quarter of 2021;
- The fair value of the Allied shares was determined to be $40.0 million based on the value of the option to sell back the shares, as well as recent share issuances of Allied shares with other arm's length parties;
- The fair value of the contingent consideration based on the gold price was estimated using a Monte Carlo simulation model using the following key inputs: spot price of gold of $1,856 per ounce, annualized gold price volatility of 19%, for each of the quarters in 2021, which resulted in a fair value of $3.7 million; and
- The fair value of the NSR was estimated using probability-weighted scenarios with respect to discounted cash flow models for future production that might exceed the Agbaou reserves at December 31, 2019. Based on the various scenarios considered, the fair value of the NSR was $5.7 million.

The profit and loss for the CGU was as follows:

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Gold revenue	180,256	191,523	184,487
Operating costs	(96,559)	(85,170)	(84,924)
Impairment of mining interests	—	—	(19,941)
Depreciation and depletion	(33,419)	(44,731)	(38,334)
Royalties	(6,761)	(7,581)	(10,355)
Other (expenses)/income	(4,315)	(2,208)	2,832
Earnings before taxes	39,202	51,833	33,765
Deferred and current income tax recovery/(expense)	2,243	(28,625)	(55,568)
Net comprehensive earnings/(loss) from discontinued operations	41,445	23,208	(21,803)
Shareholders of Endeavour Mining Corporation	34,809	15,182	(22,807)
Non-controlling interest	6,637	8,026	1,004
Total comprehensive earnings/(loss) from discontinued operations	41,446	23,208	(21,803)
Net earnings/(loss) per share from discontinued operations			
Basic	$ 0.32	$ 0.14	$ (0.17)
Diluted	$ 0.32	$ 0.14	$ (0.17)

4 ACQUISITIONS AND DIVESTITURES (Continued)

The net assets of the CGU classified as held for sale are as follows:

	December 31, 2020
Cash and cash equivalents	**69,705**
Trade and other receivables	**1,315**
Prepaid expenses and other	**2,436**
Inventories	**28,055**
Mining interests	**64,027**
Other long term assets	**15,270**
Assets held for sale	**180,808**
Trade and other payables	**66,237**
Other liabilities	**46,559**
Liabilities held for sale	**112,796**
Net assets	**68,012**

5 IMPAIRMENT OF MINING INTERESTS

For the year ended December 31, 2019

Impairment of Karma mine

	Depletable mineral property	Property, plant & equipment	Assets under construction	Total carrying value
Impairment allocation				
Net book value before impairment	93,090	170,377	18,328	**281,795**
Total impairment	(45,007)	(82,373)	—	**(127,380)**
Closing net book value after impairment	**48,083**	**88,004**	**18,328**	**154,415**

During the year ended December 31, 2019, the Corporation recorded an impairment charge on non-current assets of $127.4 million recognized at the Karma Mine.

Key assumptions:

The recoverable amounts of the Karma CGU were based primarily on the future after-tax cash flows expected to be derived from the Corporation's mining interests and represents the FVLCD, a Level 3 fair value measurement. The projected cash flows used in impairment testing are significantly affected by changes in assumptions for metal prices, changes in the amount of recoverable reserves, resources, and exploration potential, production costs estimates, capital expenditures estimates, and discount rates. The Corporation's impairment testing incorporated the following key assumptions: The estimates used for long term gold price is $1,500 per ounce at December 31, 2019. Projected cash flows were discounted using an after-tax discount rate of 7.5% which represented the Corporation's weighted average cost of capital and which included estimates for risk-free interest rates, market value of the Corporation's equity, market return on equity, share volatility and debt-to-equity financing ratio.

For the year ended December 31, 2020

As stated in Note 4, the Corporation has recognized goodwill at December 31, 2020 on the acquisition of SEMAFO as a result of the recognition of the deferred tax liability for the difference between the assigned fair values and the tax bases of the assets acquired and the liabilities assumed. Goodwill is tested at least annually or whenever there are indicators of impairment. As the purchase price allocation has not been finalized at December 31, 2020, the goodwill has not yet been allocated to one or more CGU's. In evaluating the goodwill for impairment at December 31, 2020, the objective is to determine if the recoverable amount (the fair value

5 IMPAIRMENT OF MINING INTERESTS (Continued)

less costs of disposal) of the CGUs to which the goodwill may be allocated is greater than its carrying value. The significant assumptions used to determine the fair value of the CGU's are consistent with those used in the preliminary purchase price allocation in Note 4, except for gold prices range from $1,945 to $1,690 per ounce for 2021 to 2024, and long-term gold prices are $1,560 per ounce. The Corporation also considered in-situ values for the valuation of exploration assets. Based on the results, management concluded there was no impairment of goodwill at December 31, 2020.

Also during the fourth quarter of 2020, the Corporation performed a review for indicators of impairment at each of the cash generating units and evaluated key assumptions such as significant revisions to the mine plan including current estimates of recoverable mineral reserves and resources, recent operating results, future expected production based on the reserves which led to an indicator of impairment of the Karma CGU, discussed below. There were no other indicators of impairment identified at the Corporation's other mine site CGU's in the year.

Impairment of Karma mine

During the year ended December 31, 2020, the Corporation recorded an impairment charge on non-current assets of $44.6 million recognized at the Karma Mine.

	Depletable mineral property	Property, plant & equipment	Assets under construction	Total carrying value
Impairment allocation				
Net book value before impairment	33,802	67,056	1,150	102,008
Total impairment	(13,923)	(30,633)	—	(44,556)
Closing net book value after impairment	**19,879**	**36,423**	**1,150**	**57,452**

Key assumptions

The recoverable amounts of the Karma CGU were based primarily on the future after-tax cash flows expected to be derived from the Corporation's mining interests and represents the FVLCD, a Level 3 fair value measurement. The projected cash flows used in impairment testing are significantly affected by changes in assumptions for metal prices, changes in the amount of recoverable reserves, resources, and exploration potential, production costs estimates, capital expenditures estimates, and discount rates. The Corporation's impairment testing incorporated the following key assumptions: The estimates used for gold price was an average of $1,751 per ounce over the three-year remaining life of the mine. Projected cash flows were discounted using a discount rate of 7.8% which represented the Corporation's weighted average cost of capital and which included estimates for risk-free interest rates, market value of the Corporation's equity, market return on equity, share volatility and debt-to-equity financing ratio.

Impairment of Exploration Assets

During the year ended December 31, 2020, the Corporation performed a review for indicators of impairment of all exploration and evaluation assets in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources*. Exploration permits have been assessed as to whether the permits were in good standing and/ or any further activity was planned. As a result, an impairment charge of $19.9 million has been recognized against various exploration properties (for the year ended December 31, 2018—$ nil, December 31, 2019—$ nil).

6 SHARE CAPITAL

i. Share capital

Authorized

- 300,000,000 voting shares of $0.10 par value

6 SHARE CAPITAL (Continued)

On January 11, 2019, the Corporation acquired an additional 5% interest in the Ity Mine (Note 19 (i)) in exchange for 1,072,305 common shares with a value of $17.6 million and a $0.5 million cash settlement.

On July 1, 2020, the Corporation completed the acquisition of SEMAFO. Under the terms of the transaction, the Corporation acquired 100% of the issued and outstanding shares of SEMAFO at an exchange rate of 0.1422 Endeavour share for each outstanding SEMAFO share, which resulted in the issuance of 47,561,205 common shares of Endeavour at a total fair value of $1,151.3 million.

On July 3, 2020, La Mancha exercised its anti-dilution right to maintain its interest in the Corporation and completed a $100.0 million private placement for 4,507,720 shares of Endeavour (note 4). At December 31, 2020, La Mancha ownership of Endeavour was 24.1%.

On June 30, 2020, the Corporation held 448,181 shares in SEMAFO which were converted into 63,731 common shares of Endeavour on July 1, 2020. On September 22, 2020, the Corporation cancelled these treasury shares which resulted in a reduction of $1.2 million in share capital.

On December 13, 2020 the Corporation amended the authorized share capital from 200,000,000 voting ordinary shares of a par value of $0.10 each and 100,000,000 undesignated shares to 300,000,000 voting ordinary shares of a par value of $0.10 each.

ii. Share-based compensation

The following table summarizes the share-based compensation expense:

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Amortization of option grants	19	—	—
Amortization and change in fair value of PSUs	23,295	20,150	17,455
Amortization and change in fair value of DSUs	(43)	892	1,312
Amortization and change in fair value of RSUs	1,660	—	—
Total share-based expenses	**24,931**	**21,042**	**18,767**

iii. Options

A summary of the changes in share options is presented below:

	Options outstanding	Weighted average exercise price (C$)
At December 31, 2017	144,877	12.47
Exercised	(89,158)	8.66
Forfeited	(4,485)	10.94
Expired	(699)	233.91
At December 31, 2018	50,535	16.26
Exercised	(35,119)	10.99
Expired	(466)	24.68
At December 31, 2019	14,950	10.94
Exercised	(14,950)	10.94
At December 31, 2020	—	—

The Corporation had a share option plan whereby the Corporation's directors could from time to time grant options to directors, employees or consultants. The maximum term of any option is ten years. The exercise price of an option is set at the higher of (i) the volume weighted average trading price of the shares traded on the exchange for the five trading days immediately preceding the grant date and (ii) the closing trading price on

6 SHARE CAPITAL (Continued)

the grant date. At the annual general meeting on June 26, 2018, the Corporation elected not to renew the shareholder approval for the stock option plan; as such no new stock options may be granted unless further shareholder approval is sought and obtained.

iv. Share unit plans

A summary of the changes in share unit plans is presented below:

	DSUs outstanding	Weighted average grant price (C$)	PSUs outstanding	Weighted average grant price (C$)	RSUs outstanding	Weighted average grant price (C$)
At December 31, 2017	154,077	9.68	2,042,145	16.66	196,173	20.99
Granted	37,629	22.50	1,441,198	21.71	52,644	20.06
Exercised	—	—	(511,426)	15.86	(248,817)	20.80
Forfeited	—	—	(126,037)	19.20	—	—
At December 31, 2018	191,706	12.20	2,845,880	19.25	—	—
Granted	26,871	22.60	1,556,328	18.63	—	—
Exercised	(39,893)	12.61	(738,078)	18.15	—	—
Forfeited	—	—	(365,753)	20.62	—	—
At December 31, 2019	178,684	13.67	3,298,377	19.05	—	—
Granted	20,455	26.19	2,072,183	21.55	—	—
Exercised	(73,978)	—	(1,089,232)	19.08	—	—
Forfeited	—	—	(1,152,986)	19.50	—	—
Added by performance factor	—	—	85,463	18.57	—	—
At December 31, 2020	125,161	23.79	3,213,805	20.48	—	—

v. Deferred share units

The Corporation established a deferred share unit plan ("DSU") for the purposes of strengthening the alignment of interests between non-executive directors of the Corporation and shareholders by linking a portion of the annual director compensation to the future value of the Corporation's common shares. Upon establishing the DSU plan for non-executive directors, the Corporation no longer grants options to non-executive directors.

The DSU plan allows each non-executive director to choose to receive, in the form of DSUs, all or a percentage of their director's fees, which would otherwise be payable in cash. Compensation for serving on committees must be paid in the form of DSUs. The plan also provides for discretionary grants of additional DSUs by the Board. Each DSU vests upon award but is distributed only when the director has ceased to be a member of the Board. Vested units are settled in cash based on the common share price at the date of settlement.

The fair value of the DSUs is determined based on multiplying the 5 day volume weighted average share price of the Corporation by the number of DSUs at the end of the reporting period.

The total fair value of DSUs at December 31, 2020 was $2.9 million (December 31, 2019 – $3.4 million, December 31, 2018 — $3.1 million). The total DSU share-based compensation recognized in the consolidated statement of comprehensive earnings/(loss) was an expense of $1.3 million for the year ended December 31, 2020 (for the year ended December 31, 2019, expense of $0.9 million, for the year ended December 31, 2018, expense of $0.04 million).

vi. Performance share units

The Corporation's long-term incentive plan ("LTI Plan") includes a portion of performance-linked share unit awards ("PSUs"), intended to increase the pay mix in favor of long-term equity-based compensation with three-year cliff-vesting to serve as an employee retention mechanism.

6 SHARE CAPITAL (Continued)

The fair value of the PSUs is determined based on Total Shareholder Return ("TSR") relative to peer companies for 50% of the value of the PSU's, while the remaining 50% of the value of the PSU's granted is based on achieving certain operational performance measures. Key future operational targets in 2022 for 2020 PSU grants are net debt / earnings before interest, tax, depreciation (25%), gold production targets (12.5%), and Environmental, Social and Governance ("ESG") targets (12.5%); key future operational targets in 2021 for 2019 PSU grants were resource discovery (25%), gold production relative to guidance (12.5%), and net debt / earnings before interest, tax, depreciation (12.5%). The fair value related to the TSR portion is determined using a multi-asset Monte Carlo simulation model using a dividend yield of 2.5% (2019, 0%), as well as historical TSR levels and historical volatilities of the constituents of the S&P TSX Global Gold Index (2019, same). The vesting conditions related to the achievement of operational performance measures noted above are determined at the grant date and the number of units that are expected to vest is reassessed at each subsequent reporting period based the estimated probability of reaching the operational targets.

The total PSU share-based expense recognized in the consolidated statement of comprehensive earnings/(loss) for year ended December 31, 2020 was $17.5 million (for the year ended December 31, 2019, expense of $20.2 million, for the year ended December 31, 2018, expense of $23.3 million). At December 31, 2020, 792,108 of the PSUs had vested and were exercised in January 2021. The remaining unvested PSUs will vest annually at December 31, 2021 and 2022 as the performance objectives are achieved.

vii. Restricted share units

In November 2016, the Corporation introduced a change in its long-term incentive plan ("LTI Plan") to include a portion of restricted share unit awards ("RSUs") for certain executives. The RSU program is intended to increase the pay mix in favor of long-term equity-based compensation to serve as an employee retention mechanism.

The total RSU share-based expense recognized in the consolidated statement of comprehensive loss was $1.6 million for the year ended December 31, 2018. At December 31, 2018, the Corporation has settled all the outstanding RSUs.

viii. Basic and diluted earnings per share

Diluted net earnings per share was calculated based on the following:

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Basic and diluted weighted average number of shares outstanding	107,741,182	109,822,221	137,042,765
Effect of dilutive securities[1]			
Convertible senior notes	179,710	—	—
Diluted weighted average number of shares outstanding	107,920,892	109,822,221	137,042,765
Total common shares outstanding at December 31	108,081,596	109,927,097	163,036,473
Total potential diluted common shares at December 31	112,316,713	114,322,958	165,458,170

(1) Diluted income per share was determined using the basic weighted average shares outstanding rather than the diluted weighted average shares outstanding as the effects of dilutive securities would have been anti-dilutive in periods where the Corporation has a net loss. The securities noted above would have been dilutive had the Corporation had earnings in the period.

At December 31, 2020, a total of 2,421,697 PSU's (3,298,377 at December 31, 2019, 2,845,880 at December 31, 2018) could potentially dilute basic earnings per share in future, but were not included in diluted earnings per share as all vesting conditions have not been satisfied at the end of the reporting period. The potentially dilutive impact of the convertible senior notes are anti-dilutive for the period and were not included in the diluted earnings per share.

7 FINANCIAL INSTRUMENTS AND RELATED RISKS

i. Financial assets and liabilities

The Corporation's financial instruments are classified as follows:

	Financial assets/liabilities at amortized cost	Financial instruments at fair value through other comprehensive income	Financial instruments at fair value through profit and loss
Cash			X
Trade and other receivables	X		
Restricted cash			X
Marketable securities			X
Other long-term receivable			X
Trade and other payables	X		
Corporate loan facility	X		
Convertible senior bond	X		
Conversion option			X

The fair value of these financial instruments approximates their carrying value, unless otherwise noted below, except for the convertible note, which has a fair value of approximately $398.6 million (December 31, 2019—$351.5 million, December 31, 2018—$319.1 million).

As noted above, the Corporation has certain financial assets and liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques to measure fair value:

Classification of financial assets and liabilities

Level 1—quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2—inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3—inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at each of December 31, 2020, December 31, 2019 and December 31, 2018, the levels in the fair value hierarchy into which the Corporation's financial assets and liabilities measured and recognized in the consolidated statement of financial position at fair value are categorized as follows:

		AS AT DECEMBER 31, 2018			
	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		124,022	—	—	124,022
Cash—restricted	13	1,073	—	—	1,073
Derivative financial instruments	13	—	1,636	—	1,636
Receivable for sale of Nzema mine	9	—	—	22,577	22,577
Receivable for sale of Tabakoto mine	13	—	8,804	13,446	22,250
Marketable securities	13	497	—	—	497
Total		125,592	10,440	36,023	172,055
Liabilities:					
Conversion option on Notes	8	—	(25,076)	—	(25,076)
Total		—	(25,076)	—	(25,076)

7 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

	Note	AS AT DECEMBER 31, 2019 Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		189,889	—	—	189,889
Cash—restricted	13	9,958	—	—	9,958
Receivable for sale of Nzema mine	9	—	—	7,163	7,163
Receivable for sale of Tabakoto mine	13	—	—	13,322	13,322
Marketable securities	13	1,224	—	—	1,224
Total		201,071	—	20,485	221,556
Liabilities:					
Conversion option on Notes	8	—	(31,439)	—	(31,439)
Derivative financial instruments	17	—	(10,349)	—	(10,349)
Total		—	(41,788)	—	(41,788)

	Note	AS AT DECEMBER 31, 2020 Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		644,970	—	—	644,970
Cash—restricted	13	24,398	—	—	24,398
Other long term receivable	13	—	—	804	804
Marketable securities	13	778	—	—	778
Total		670,146	—	804	670,950
Liabilities:					
Conversion option on Notes	8	—	(74,646)	—	(74,646)
Total		—	(74,646)	—	(74,646)

There were no transfers between level 1 and 2 during the year. The fair value of level 3 financial assets was determined using a Monte Carlo valuation method, taking into account assumptions with respect to gold prices and discount rates as well as estimates with respect to production and operating results at the disposed mine.

ii. Gain/(loss) on financial instruments

	Note	YEAR ENDED December 31, 2018	December 31, 2019	December 31, 2020
Loss on other financial instruments		(158)	(1,073)	(2,514)
Change in value of receivable at FVTPL		2,977	(22,354)	(13,253)
Realized gain on forward contract[1]	17	—	—	6,686
Gain/(loss) on gold revenue protection program	17	7,658	(17,348)	(21,155)
Unrealized gain/(loss) on convertible senior bond derivative	8	16,949	(6,363)	(43,207)
Loss on foreign exchange		(16,772)	(9,242)	(5,247)
Total gain/(loss) on financial instruments		10,654	(56,380)	(78,690)

(1) On March 9, 2020, the Corporation entered into a gold forward contract to manage the risk of changes in the market price of gold. Under the gold forward contract, the Corporation bought 73,919 ounces of gold at an average gold prices of $1,590 per ounce. On March 30, 2020, the Corporation exited the gold forward contract at a final gold price of $1,681 per ounce and recognized a gain of $6.7 million.

7 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

iii. Financial instrument risk exposure

The Corporation's activities expose it to a variety of risks that may include credit risk, liquidity risk, currency risk, interest rate risk and other price risks, including equity price risk. The Corporation examines the various financial instrument risks to which it is exposed and assesses any impact and likelihood of those risks.

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Corporation by failing to discharge its obligations. Credit risk arises from cash, restricted cash, marketable securities, trade and other receivables, long-term receivable and other assets.

The Corporation manages the credit risk associated with cash by investing these funds with highly rated financial institutions, and by monitoring its concentration of cash held in any one institution. As such, the Corporation deems the credit risk on its cash to be low.

The Corporation closely monitors its financial assets and does not have any significant concentration of credit risk other than receivable balances owed from the governments in the countries the Corporation operates in and its other receivables of $14.6 million due from third parties. The Corporation monitors the amounts outstanding from its third parties regularly and does not believe that there is a significant level of credit risk associated with these receivables given the current nature of the amounts outstanding and the on-going customer/supplier relationships with those companies.

The Corporation sells its gold to large international organizations with strong credit ratings, and the historical level of customer defaults is minimal. As a result, the credit risk associated with gold trade receivables at December 31, 2020 is considered to be negligible. The Corporation does not rely on ratings issued by credit rating agencies in evaluating counterparties' related credit risk.

The Corporation's maximum exposure to credit risk is as follows:

	Note	December 31, 2018	December 31, 2019	December 31, 2020
Cash		124,022	189,889	644,970
Trade and other receivables	9	48,978	19,228	52,812
Working capital loan	13	491	541	—
Derivative financial assets	13	1,636	—	—
Marketable securities	13	497	1,224	778
Long-term receivable	13	22,250	13,322	804
Restricted Cash	13	1,073	9,958	24,398
Total		198,947	234,162	723,762

Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash, physical gold or another financial asset. The Corporation has a planning and budgeting process in place to help determine the funds required to support the Corporation's normal operating requirements. The Corporation ensures that it has sufficient cash and cash equivalents and loan facilities available to meet its short term obligations. For details of undrawn loan facilities refer to note 8.

7 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

The following table summarizes the Corporation's liabilities that have contractual maturities as at December 31, 2020:

	Within 1 year	1 to 2 years	3 to 4 years	Over 4 years	Total
Trade and other payables	279,903	—	—	—	**279,903**
Corporate loan facility[1]	—	310,000	—	—	**310,000**
Convertible senior bond	9,900	9,900	334,950	—	**354,750**
Lease liabilities	15,311	13,382	3,776	1,002	**33,471**
Total	**305,114**	**333,282**	**338,726**	**1,002**	**978,124**

(1) The interest on the corporate loan facility has not been included in this table based on the current balance, however, as the RCF can be drawn down further or repaid, this would impact the interest payments.

iv. Market risks

Currency Risk

Currency risk relates to the risk that the fair values or future cash flows of the Corporation's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Corporation incurs in its operations. There has been no change in the Corporation's objectives and policies for managing this risk during the period ended December 31, 2020.

The Corporation has not hedged its exposure to foreign currency exchange risk.

The table below highlights the net assets held in foreign currencies, presented in US dollars:

	December 31, 2018	December 31, 2019	December 31, 2020
Canadian dollar	309	431	92,371
CFA Francs	26,615	11,147	175,854
Euro	919	2,973	649
Other currencies	2,707	6,185	13,270
Total	30,550	20,736	282,144

The effect on earnings before taxes as at December 31, 2020, of a 10% appreciation or depreciation in the foreign currencies against the US dollar on the above mentioned financial and non-financial assets and liabilities of the Corporation is estimated to be $28.2 million (December 31, 2019, $3.1 million, December 31, 2018—$3.1 million), if all other variables remained constant. The calculation is based on the Corporation's statement of financial position as at December 31, 2020.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from, or the fair values of, the Corporation's financial instruments will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk primarily on its long-term debt. Since marketable securities and government treasury securities held as loans are short term in nature and are usually held to maturity, there is minimal fair value sensitivity to changes in interest rates. The Corporation continually monitors its exposure to interest rates and is comfortable with its exposure given the relatively low short-term US interest rates and LIBOR.

The effect on earnings/(loss) before taxes as at December 31, 2020, of a 10% change in the LIBOR rate on the RCF is estimated to be $1.0 million (December 31, 2019–$1.0 million, December 31, 2018–$0.1 million).

COVID-19 pandemic risks

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new novel coronavirus ("COVID-19") as a pandemic. In response to health risks associated with the spread of

7 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

COVID-19, the Corporation implemented a number of health and safety measures designed to protect employees at its operations around the world.

During the year ended December 31, 2020, the Corporation's operations have not been significantly impacted, however, the Corporation continues to monitor the situation as the pandemic has continued into 2021. The Corporation has spent approximately $7.7 million related to COVID-19 expenses in the year ended December 31, 2020, related to additional resource and travel costs, medical and PPE supplies, and other costs. While the Corporation's financial position, performance and cash flows could be further negatively impacted, the extent of any additional impact cannot be reasonably estimated at this time. Management continues to monitor and assess the short and medium-term impacts of the COVID-19 virus, including for example supply chain, mobility, workforce, market and trade flow impacts, as well as the resilience of Canadian, West African, and other global financial markets to support recovery. Any longer term impacts are also being considered and monitored, as appropriate. However, this pandemic continues to evolve rapidly and its effects on our own operations are uncertain and difficult to predict. It is possible that in the future operations may be temporarily shut down or suspended for indeterminate amounts of time, any of which may, individually or in the aggregate, have a material and adverse impact on our business, results of operations and financial performance.

The global response to the COVID-19 pandemic has resulted in, among other things, border closures, severe travel restrictions, as well as quarantine, self-isolation and other emergency measures imposed by various governments. Additional government or regulatory actions or inactions around the world in jurisdictions where the Corporation operates may also have potentially significant economic and social impacts. The COVID-19 virus and efforts to contain it may have a significant effect on commodity prices, and the possibility of a prolonged global economic downturn may further impact commodity demand and prices. If the business operations of the Corporation are disrupted or suspended as a result of these or other measures, it may have a material adverse effect on the Corporation's business, results of operations and financial performance.

The global pandemic caused by COVID-19 may affect Endeavour's ability to operate at one or more of its mines for an indeterminate period of time, may affect the health of its employees or contractors resulting in diminished expertise or capacity, may mean that key expatriate or contract resources cannot access West Africa, may result in delays or disruption in its supply chain leading to unavailability of critical spares and inventory (or increased costs), may lead to restrictions on transferability of currency, may cause business continuity issues at global gold refineries (and therefore its ability to generate revenue), may mean it cannot transport gold from its sites to refineries, may result in failures of various local administration, logistics and critical infrastructure, may cause social instability in West African countries which in turn could disrupt business continuity, and may result in additional and currently unknown liabilities.

8 LONG-TERM DEBT

	December 31, 2018	December 31, 2019	December 31, 2020
Corporate loan facility (i)	230,000	310,000	310,000
Deferred financing costs	(6,721)	(5,059)	(8,305)
Revolving credit facility	223,279	304,941	301,695
Convertible senior notes (ii)	293,893	302,600	311,925
Conversion option (iii)	25,076	31,439	74,646
Convertible senior bond	318,969	334,039	386,571
Total long term debt	542,248	638,980	688,266

8 LONG-TERM DEBT (Continued)

The Corporation incurred the following finance costs in the period:

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Interest expense	25,904	37,806	42,049
Amortization of deferred facility fees	7,101	2,827	3,023
Commitment, structuring and other fees	5,542	8,616	3,760
Less: Capitalized borrowing costs	(15,254)	(6,803)	—
Total finance costs	23,293	42,446	48,832

i. Corporate Loan Facility

The Corporation completed a private placement of $330.0 million convertible senior notes on February 8, 2018. As a result, the Corporation reduced the principal of the $500.0 million Revolving Credit Facility ("RCF") with a syndicate of leading international banks to $350.0 million and made a repayment of $280.0 million. On May 17, 2019, the Corporation increased the total commitment capacity on the RCF by $80.0 million, to give a principal amount of $430.0 million on the RCF. On May 17, 2019, the Corporation renewed its $430.0 million RCF with a syndicate of leading international banks. On September 10, 2020, the Corporation signed for a one year extension on the RCF, delaying the maturity date to September 2022. Subsequently on December 24, 2020, the Corporation entered into an amendment agreement to the RCF, extending its maturity to January 15, 2023 which only became effective after year-end.

The key terms of the RCF include:

- Principal amount of $430.0 million.
- Interest accrues on a sliding scale of between LIBOR plus 2.95% to 3.95% based on the Corporation's leverage ratio.
- Commitment fees for the undrawn portion of the RCF of 1.03%.
- The RCF matures in September 2022.
- The principal outstanding on the RCF is repayable as a single bullet payment on the maturity date.
- Banking syndicate includes Société Générale, ING, Citibank N.A., Investec Bank Plc, Macquarie Bank Ltd, Barclays Bank, HSBC and BMO.
- The RCF can be repaid at any time without penalty.

Covenants on the RCF include:

- Interest cover ratio as measured by ratio of earnings before interest, tax, depreciation and amortization ("EBITDA") to finance cost for the trailing 12 months to the end of a quarter shall not be less than 3.0:1.0
- Leverage as measured by the ratio of net debt to EBITDA at the end of each quarter must not exceed 3.5:1.0

ii. Convertible Senior Notes

On February 8, 2018, the Corporation completed a private placement of convertible senior notes with a total principal amount of $330.0 million due in 2023 (the "Notes"). The initial conversion rate is 41.84 of the Corporation's common shares ("Shares") per $1,000 Note, or an initial conversion price of approximately $23.90 (CAD$29.47) per share.

The Notes bear interest at a coupon rate of 3% payable semi-annually in arrears on February 15 and August 15 of each year. Notes mature on February 15, 2023, unless redeemed earlier, repurchased or converted in accordance with the terms of the Notes. The note holders can convert their Notes at any time prior to the

8 LONG-TERM DEBT (Continued)

maturity date. Also, the Notes are redeemable in whole or in part, at the option of the Corporation, at a redemption price equal to the principal amount of the Notes being redeemed, plus any accrued and unpaid interest, if the share price exceeds 130% of the conversion price on each of at least 20 of the trading days during the 30 days prior to the redemption notice. The Corporation may, subject to certain conditions, elect to satisfy the principal amount and conversion option due at maturity or upon conversion or redemption through the payment or delivery of any combination of Shares and cash.

The key terms of the Convertible Senior Notes include:

- Principal amount of $330.0 million.
- Coupon rate of 3% payable on a semi-annual basis.
- The term of the notes is 5 years, maturing in February 2023.
- The notes are reimbursable through the payment or delivery of shares and/or cash.
- The initial conversion price is $23.90 (CAD$29.47) per share.
- The reference share price of the notes is $18.04 (CAD$22.24) per share.

For accounting purposes, the Corporation measures the Notes at amortized cost, accreting to maturity over the term of the Notes. The conversion option is an embedded derivative and is accounted for as a financial liability measured at fair value through profit or loss.

At the date of issue, the Notes were measured at fair value:

	December 31, 2018
Proceeds from issue	330,000
Liability component at date of issue	(287,975)
Conversion option	**42,025**

The unrealized gain/loss on the convertible note option for the year ended December 31, 2020 was an unrealized loss of $43.2 million (year ended December 31, 2019—unrealized loss of $6.4 million, year ended December 31, 2018—unrealized gain of $16.9 million).

The liability component for the Notes at December 31, 2020 has an effective interest rate of 6.2% (December 31, 2019: 6.2%, December 31, 2018: 6.2%) and was as follows:

	December 31, 2018	December 31, 2019	December 31, 2020
Liability component at beginning of the year	287,975	293,893	302,600
Less: Deferred finance costs	(5,159)	—	—
Interest expense in the year	16,302	18,607	19,225
Less: Interest payments in the year	(5,225)	(9,900)	(9,900)
Total	293,893	302,600	311,925

iii. Conversion option

The conversion option related to the Notes is recorded at fair value, using a convertible bond valuation model, taking account the observed market price of the Notes. The following assumptions were used in the determination of fair value of the conversion option and fixed income component of the Notes, which was then calibrated to the total fair value of the Notes: volatility of 56% (December 31, 2019–26%, December 31, 2018–26%), term of the conversion option 2.13 years (December 31, 2019–3.00 years, December 31, 2018–4.4 years), a dividend yield of 2.5% (December 31, 2019–0%. December 31, 2018–0%), credit spread of 4% (December 31, 2019–4%, December 31, 2018–4%), and a share price of $29.62 (December 31, 2019–$18.89, December 31, 2018–$15.57).

8 LONG-TERM DEBT (Continued)

	December 31, 2018	December 31, 2019	December 31, 2020
Conversion option at beginning of the year	42,025	25,076	31,439
Fair value adjustment	(16,949)	6,363	43,207
Total	25,076	31,439	74,646

9 TRADE AND OTHER RECEIVABLES

	December 31, 2018	December 31, 2019	December 31, 2020
Receivable for sale of Nzema mine (i)	22,577	7,163	—
VAT receivable (ii)	20,377	7,487	28,274
Receivables for gold sales	1,576	2,149	4,641
Other receivables (iii)	4,448	2,429	19,897
Total	48,978	19,228	52,812

i. Receivable for sale of Nzema mine

In connection with certain residual deferred consideration amounts owed to Endeavour for the sale of the Nzema mine, the Corporation entered into an omnibus agreement in November 2019, reducing the cash amount owing to approximately $7.2 million. As a result, the Corporation recognized a write-down of the receivable of 7.3 million in the year ended December 31, 2019. The Corporation received $6.9 million in the year ended December 31, 2020, with the remaining balance of $0.3 million was recognized as a write-down in the year.

ii. VAT receivable

VAT receivable relates to net VAT amounts paid to vendors for goods and services purchased, primarily in Côte d'Ivoire and Burkina Faso. These balances are expected to be collected in the next twelve months. In the year ended December 31, 2020, the Corporation collected $39.1 million of outstanding VAT receivables, through the sale of its VAT receivables to third parties or reimbursement from the tax authorities.

iii. Other receivables

Other receivables at December 31, 2020 include a receivable of $14.6 million from two third parties for which the Corporation had entered into contracts during the year which was advanced for working capital purposes. The amounts are non-interest bearing and are expected to be repaid in the next twelve months.

10 INVENTORIES

	December 31, 2018	December 31, 2019	December 31, 2020
Doré bars	10,878	15,496	24,965
Gold in circuit	24,488	29,707	34,043
Ore stockpiles	63,459	75,067	123,979
Spare parts and supplies	51,479	70,599	84,040
Total	150,304	190,869	267,027
Non-current stockpiles	(23,951)	(22,490)	(77,010)
Inventories, current	126,353	168,379	190,017

As of December 31, 2018, the amount includes a provision of $7.3 million to adjust spare parts and supplies inventory to net realizable value and a provision of $2.8 million to adjust stockpiles, gold in circuit, and finished goods at Karma to net realizable value.

10 INVENTORIES (Continued)

As of December 31, 2019, there was a provision of $0.7 million to adjust gold in circuit and finished goods at Karma to net realizable value.

As of December 31, 2020, there was a provision of $19.8 million to adjust inventory to net realizable value at Karma of which $19.4 million relates to gold in circuit ("GIC") and $0.4 million relates to finished goods. During the year, $5.8 million of spare parts and supplies were written off at Karma.

The cost of inventories recognized as expense in the year ended December 31, 2020 was $835.4 million and was included in operating expenses (year ended December 31, 2019—$556.0 million, year ended December 31, 2018—$628.2 million).

11 PREPAID EXPENSES AND OTHER

	December 31, 2018	December 31, 2019	December 31, 2020
Deposits	1,784	1,425	3,075
Insurance	222	—	—
Supplier prepayments	13,627	15,893	19,572
Other	845	—	2,897
Total	16,478	17,318	25,544

12 MINING INTERESTS

	Note	MINING INTERESTS				
		Depletable	Non depletable	Property, plant and equipment	Assets under construction	Total
Cost						
Balance as at January 1, 2018		893,364	387,326	829,316	106,595	**2,216,601**
Additions/expenditures		85,201	52,384	92,441	329,577	**559,603**
Transfers related to Ity construction		—	—	43,982	(43,982)	**—**
Reclamation liability change in estimate		3,776	—	—	—	**3,776**
Disposals of Tabakoto mine	4	(433,199)	(128,474)	(281,245)	—	**(842,918)**
Disposals		—	—	(10,334)	—	**(10,334)**
Balance as at December 31, 2018		549,142	311,236	674,160	392,190	**1,926,728**
Additions/expenditures		116,205	1,228	2,916	93,290	**213,639**
Transfers related to Ity construction		—	—	397,709	(397,709)	**—**
Transfers to inventory on commercial production		—	—	—	(18,463)	**(18,463)**
Transfers		20,706	26,630	—	(47,336)	**—**
Reclamation liability change in estimate		(3,261)	—	—	—	**(3,261)**
Adjustment for change in accounting policy		—	—	11,636	—	**11,636**
Disposals		—	(7,317)	(4,849)	—	**(12,166)**
Balance as at December 31, 2019		682,792	331,777	1,081,572	21,972	**2,118,113**
Acquired in business combinations	4	819,912	256,866	242,809	—	**1,319,587**
Additions/expenditures		103,015	67,257	57,216	44,398	**271,886**
Transfers related to Ity construction to/(from)		—	—	2,278	—	**2,278**
Transfers		40,812	(31,177)	26,082	(35,717)	**—**
Change in estimate of environmental rehabilitation provision		16,492	—	—	—	**16,492**
Transfer to assets held for sale	4	(149,896)	—	(173,378)	—	**(323,274)**
Disposals		(342)	—	(37,857)	—	**(38,199)**
Balance as at December 31, 2020		1,512,785	624,723	1,198,722	30,653	**3,366,883**
Accumulated Depreciation						
Balance as at January 1, 2018		436,091	106,634	363,238	—	**905,963**
Depreciation/depletion		86,665	5,855	98,735	—	**191,255**
Depreciation captured in inventory		6,829	—	7,300	—	**14,129**
Impairment		16,478	3,775	11,704	—	**31,957**
Disposals		—	—	(10,161)	—	**(10,161)**
Disposal of the Tabakoto mine	4	(377,155)	(116,264)	(256,838)	—	**(750,257)**
Balance as at December 31, 2018		168,908	—	213,978	—	**382,886**
Depreciation/depletion		80,249	—	117,808	—	**198,057**
Impairment		45,007	—	82,373	—	**127,380**
Adjustment for change in accounting policy		—	—	(499)	—	**(499)**
Balance as at December 31, 2019		294,164	—	413,660	—	**707,824**
Depreciation/depletion		161,473	—	134,015	—	**295,488**
Impairment		25,053	19,949	39,445	—	**84,447**
Transfer to assets held for sale	4	(114,612)	—	(144,635)	—	**(259,247)**
Disposals		(112)	—	(27,615)	—	**(27,727)**
Balance as at December 31, 2020		365,966	19,949	414,870	—	**800,785**
Carrying amounts						
At December 31, 2018		380,234	311,236	460,182	392,190	**1,543,842**
At December 31, 2019		388,628	331,777	667,912	21,972	**1,410,289**
At December 31, 2020		1,146,819	604,774	783,852	30,653	**2,566,098**

(1) As at December 31, 2020, exploration assets with a net book value of $391.4 million are included in the non-depletable mining interest category.(December 31, 2019—$127.3 million, December 31, 2018—$119.5 million)

At December 31, 2018, the additions to assets under construction included $71.3 million of long-term financing equipment obligations and $15.3 million of capitalized borrowing costs. The average capitalization rate was 1.8% for the year. During the year ended December 31, 2019, a further $6.8 million of borrowing costs were

12 MINING INTERESTS (Continued)

capitalized to assets under construction. There were no borrowing costs capitalized in the year ended December 31, 2020.

During the year ended December 31, 2020, the Corporation received $22.2 million in cash proceeds from a contractor used in the original construction of the Karma mine as reimbursement of previously made capitalized expenditures. The proceeds have been recognized as other income in the year ended December 31, 2020.

During the year ended December 31, 2020, the Corporation disposed of its mining fleet at its Karma mine in connection with transferring its mining operations to a contractor. The resulting mining agreement is accounted for as a lease in accordance with IFRS 16, *Leases,* ("IFRS 16") and the Corporation recognized a gain of $4.1 million on the disposal of the mining fleet (December 31, 2019: $nil) which is recognized in other income.

The Corporation's right-of-use assets consist of buildings, plant and equipment and its various segments which are right-of-use assets under IFRS 16. These have been included within the property, plant and equipment category above.

	Plant	Heavy Equipment	Property	Total
Balance as at January 1, 2019	5,699	3,021	2,915	11,635
Additions	1,061	—	—	1,061
Depreciation for the year	(2,551)	(827)	(1,309)	(4,687)
Balance as at December 31, 2019	4,209	2,194	1,606	8,009
Acquired in business combinations	7,200	18,842	1,186	27,228
Additions	5,343	6,119	714	12,176
Depreciation for the year	(1,657)	(8,560)	(1,594)	(11,811)
Transferred to assets held for sale	(502)	(307)	—	(809)
Disposals	—	(1,640)	—	(1,640)
Balance as at December 31, 2020	14,593	16,648	1,912	33,153

13 OTHER FINANCIAL ASSETS

Other financial assets are comprised of:

	December 31, 2018	December 31, 2019	December 31, 2020
Restricted cash[(i)]	1,073	9,958	24,398
Working capital loan receivable	491	541	—
Marketable securities	497	1,224	778
Long-term receivable[(ii)]	22,250	13,322	804
Gold revenue protection strategy	1,636	—	—
Total	25,947	25,045	25,980
Less: current portion	(1,636)	—	—
Total non-current financial assets	24,311	25,045	25,980

i. Restricted cash

Restricted cash consists of reclamation bonds deposited with financial institutions which are not available for operating purposes to the Corporation. The increase in the year ended December 31, 2020 is the result of additional reclamation bonds acquired as part of the SEMAFO acquisition.

ii. Long-term receivable

Long-term receivables consist primarily of the deferred cash consideration of $8.8 million and the net smelter royalty ("NSR") of $13.3 million relating to the sale of the Tabakoto mine, which were included as long-term

13 OTHER FINANCIAL ASSETS (Continued)

receivables as at December 31, 2018. These amounts were written down to $ nil in December 31, 2019 and 2020, respectively.

14 OTHER LONG-TERM ASSETS

Other assets are comprised of:

	December 31, 2018	December 31, 2019	December 31, 2020
Long-term stockpiles	23,951	22,490	77,010
Total	32,237	22,490	77,010

15 TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	December 31, 2018	December 31, 2019	December 31, 2020
Trade accounts payable	132,779	147,461	206,863
Royalties payable	6,468	2,444	14,516
Taxes—direct and indirect	2,180	—	—
Payroll and social charges	31,601	10,714	26,957
Other payables	4,294	12,648	21,395
Total	177,322	173,267	269,731

16 FINANCE AND LEASE OBLIGATIONS

The Corporation has entered into the following finance obligations:

	December 31, 2018	December 31, 2019	December 31, 2020
Financing arrangements[(i)]	100,381	78,081	—
Lease liabilities[(ii)]	—	8,753	37,205
Finance obligations	100,381	86,834	37,205

	December 31, 2018	December 31, 2019	December 31, 2020
Finance obligations	100,381	86,834	37,205
Less: current portion	(24,034)	(29,431)	(13,661)
Long-term finance obligations	76,347	57,403	23,544

i. Financing arrangements

	December 31, 2018	December 31, 2019	December 31, 2020
Financing arrangements	100,381	78,081	—
Less: current portion	(24,034)	(25,529)	—
Long-term financing arrangement	76,347	52,552	—

The present value of the Corporation's long-term equipment financial obligations is split below. The present value of the minimum payments are the installments over the life of the arrangement discounted to present value. Payments are apportioned between the finance charge and the reduction of the outstanding liability.

16 FINANCE AND LEASE OBLIGATIONS (Continued)

During the year ended December 31, 2020, the Corporation repaid all amounts outstanding under the financial arrangements.

	December 31, 2018	December 31, 2019	December 31, 2020
Not later than one year	30,482	30,562	—
Later than one year and not later than five years	86,108	56,390	—
	116,590	86,952	—
Less future finance charges	(16,209)	(8,871)	—
Present value of minimum finance payments	100,381	78,081	—

	December 31, 2018	December 31, 2019	December 31, 2020
Houndé Mine	50,378	39,340	—
Ity Mine	50,003	38,741	—
Present value of minimum finance payments	100,381	78,081	—

Houndé Financing Arrangements

On June 9, 2016, the Corporation entered into a financing arrangement with the Komatsu Group to acquire mining fleet equipment for the Houndé project. The Corporation made an initial down-payment of $7.7 million on July 1, 2016 with the remaining $46.8 million of payments being made between the first quarter of 2018 and 2022.

On March 13, 2017, Houndé Gold Operation SA, entered into an equipment financing facility with Caterpillar Financial Services Corporation. The facility matures five years from the date of first drawdown, which occurred October 10, 2017. Availability of the facility is subject to the satisfaction of customary conditions precedent, including the provision of an equipment pledge.

Ity CIL Financing Arrangements

On May 9, 2017, the Corporation entered into a financing arrangement with the Komatsu Group to acquire mining fleet equipment for the Ity CIL project within the Ity mine. The Corporation made an initial down-payment of $4.9 million on May 25, 2017 and the remaining $28.2 million of payments are being made between the first quarter of 2019 and 2022.

On February 27, 2018, the Corporation entered into batch two of the financing arrangement with the Komatsu Group to acquire mining fleet equipment for the Ity CIL project within the Ity mine. The Corporation made an initial down-payment of $2.9 million on April 10, 2018 and the remaining $19.6 million of payments are being made between the first quarter of 2019 and 2023.

On December 13, 2018, the Corporation, through its subsidiary Société des Mines d'Ity, entered a financing arrangement with the Caterpillar Financial Services Corporation to acquire power generating equipment for the Ity CIL project. The total amount payable under this facility is $11.2 million, repayments began on July 1, 2019, and was paid off in full in the year ended December 31, 2020.

16 FINANCE AND LEASE OBLIGATIONS (Continued)

ii. Lease liabilities

The lease liabilities included within financial obligations in the consolidated statement of financial position are as follows:

	December 31, 2019	December 31, 2020
Lease liabilities	8,753	37,205
Less: current portion	(3,902)	(13,661)
Long-term lease liabilities	4,851	23,544

Amounts recognized in the consolidated statement of comprehensive earnings/(loss) are as follows:

	YEAR ENDED	
	December 31, 2019	December 31, 2020
Interest on lease liabilities	4,685	11,811
Depreciation on right-of-use assets	879	1,500
Operating expenses related to variable lease payments not included in the measurement of lease liabilities	284	8,638
Expenses relating to short-term leases	52	—
Expenses relating to leases of low value assets, excluding short-term leases of low value assets	310	—

17 OTHER FINANCIAL LIABILITIES

	Note	December 31, 2018	December 31, 2019	December 31, 2020
DSU liabilities		3,110	3,390	2,919
Other long-term liabilities		195	—	—
Gold revenue protection strategy[(i)]		(1,636)	10,349	—
Total		1,669	13,739	2,919
Less: amount included in other financial assets	13	1,636	—	—
Total financial liabilities		3,305	13,739	2,919
Less: current portion		—	(10,349)	—
Non-current financial liabilities		3,305	3,390	2,919

i. Gold revenue protection strategy

In the year ended December 31, 2019, the Corporation implemented a deferred premium collar strategy ("Collar") using written call options and bought put options for the 12-month period from July 2019 to June 2020. The program covered a total of 360,000 ounces, representing approximately 50% of Endeavour's total estimated gold production for the period, with an average floor price of $1,358 and a ceiling price of $1,500. The Collar was accounted for at fair value through profit/ loss ('FVTPL') and the Corporation realized a loss of $35.9 million over the life of the Collar of which $21.2 million was recognized in the year ended December 31, 2020 (2019—$7.0 million).

In the year ended December 31, 2019, a previous gold collar for the 15-month period from February 2018 to April 2019 expired and the Corporation recognized a total gain over the term of the collar of $5.1 million.

ii. Forward contracts

On March 9, 2020, the Corporation entered into a gold forward contract to manage the risk of changes in the market price of gold. Under the gold forward contract, the Corporation bought 73,919 ounces of gold at an

17 OTHER FINANCIAL LIABILITIES (Continued)

average gold prices of $1,590 per ounce. On March 30, 2020, the Corporation exited the gold forward contract at a final gold price of $1,681 per ounce and recognized a gain of $6.7 million.

18 ENVIRONMENTAL REHABILITATION PROVISION

	Note	December 31, 2018	December 31, 2019	December 31, 2020
Balance beginning of year		49,179	38,572	38,521
Initial recognition of provision		2,588	—	—
Assumed on acquisition of SEMAFO Inc		—	—	31,602
Derecognized on disposal of mining interests	4	(17,181)	—	—
Revisions in estimates and obligations incurred		3,116	(4)	17,486
Accretion		1,027	667	1,788
Rehabilitation work performed		(157)	(714)	—
Total		38,572	38,521	89,397
Less: portion included in liabilities held for sale	4	—	—	(11,386)
Balance, end of year		38,572	38,521	78,011

The Corporation recognizes environmental rehabilitation provisions for all its operating mines. Rehabilitation activities include backfilling, soil-shaping, re-vegetation, water treatment, plant and building decommissioning, administration, closure and monitoring activities. The majority of rehabilitation expenses are expected to occur between 2022 and 2033. The provisions of each mine are accreted to the undiscounted cash flows over the projected life of each mine.

The Corporation measures the provision at the expected value of future cash flows including inflation rates of approximately 2.28% (December 31, 2019: 1.80%, December 31, 2018: 1.90%), discounted to the present value using average discount rates of 2.02% (December 31, 2019: 2.75%, December 31, 2018: 2.90%). Future cash flows are estimated based on estimates or rehabilitation costs and current disturbance levels. The undiscounted cash flows related to the environmental rehabilitation obligation as of December 31, 2020 was $76.4 million (December 31, 2019—$36.4 million, December 31, 2018: $35.4 million).

Regulatory authorities in certain countries require security to be provided to cover the estimated rehabilitation provisions. Total restricted cash held for this purpose as at December 31, 2020 was $24.4 million (December 31, 2019—$10.0 million, December 31, 2018—$1.1 million).

19 NON-CONTROLLING INTERESTS

The composition of the non-controlling interests ("NCI") is as follows:

	Ity Mine (15%)	Karma Mine (10%)	Houndé Mine (10%)	Mana Mine (10%)	Boungou Mine (10%)	Other	Total (continuing operations)	Tabakoto Mine (20%/10%)	Agbaou Mine (15%)	Total (all operations)
At December 31, 2017	17,431	10,854	(3,441)	—	—	522	**25,366**	(56,896)	47,287	**15,757**
Net (loss)/earnings	(1,026)	1,129	10,385	—	—	—	**10,488**	(10,004)	6,637	**7,121**
Dividend distribution	—	—	—	—	—	—	**—**	(185)	(3,451)	**(3,636)**
Disposal of the Tabakoto mine	—	—	—	—	—	—	**—**	67,085	—	**67,085**
At December 31, 2018	16,405	11,983	6,944	—	—	522	**35,854**	—	50,473	**86,327**
Acquisition of NCI	(4,101)	—	—	—	—	—	**(4,101)**	—	—	**(4,101)**
Net earnings	11,553	2,019	960	—	—	—	**14,532**	—	8,026	**22,558**
Dividend distribution	—	—	(1,090)	—	—	—	**(1,090)**	—	(5,064)	**(6,154)**
At December 31, 2019	23,857	14,002	6,814	—	—	522	**45,195**	—	53,435	**98,630**
Net earnings/(loss)	16,017	(4,186)	17,366	6,365	3,280	—	**38,842**	—	1,004	**39,846**
Acquisition of NCI[(1)]	—	—	—	41,534	58,249	6,419	**106,202**	—	—	**106,202**
Dividend distribution	(659)	—	(1,744)	—	—	—	**(2,403)**	—	(52,912)	**(55,315)**
Change in NCI	—	—	—	—	—	(199)	**(199)**	—	—	**(199)**
At December 31, 2020	39,215	9,816	22,436	47,899	61,529	6,742	**187,637**	—	1,527	**189,164**

(1) For further details refer to note 4

For summarized information related to these subsidiaries, refer to Note 23, Segmented Information.

i. Acquisition of interest in Ity

On May 19, 2017, the Corporation acquired an additional 25% stake in Société des Mines d'Ity from one of the non-controlling interests thereby increasing its ownership to 80% for consideration of $54.4 million and a $5 per ounce royalty for any additional reserves added subsequent to December 31, 2016. During the first quarter of 2020, the Corporation paid $5.4 million as part of this transaction of which only $5.0 million was initially recognized as part of the investment. The additional $0.4 million has been included as a charge to deficit in the year ended December 31, 2020.

On January 11, 2019, the Corporation increased its ownership stake in the Ity Mine from 80% to 85%, with the Government of Cote d'Ivoire owning 10% and SODEMI (a government owned mining company) owning the remaining 5%. In exchange for the additional 5% interest in the Ity mine (relating to the Société des Mines d'Ity and Société des Mines de Daapleu entities), the Corporation granted the minority shareholder 1,072,305 common shares with a value of $17.6 million in addition to a $0.5 million cash payment.

20 SUPPLEMENTARY CASH FLOW INFORMATION

	Long-term debt			Finance and lease obligations
	RCF	Accrued interest[1]	Convertible senior notes	Financing arrangements
At January 1, 2018	286,440	395	—	54,402
Changes from financing cash flows				
Debt issued	210,000	—	330,000	—
Repayments	(280,000)	—	—	(25,325)
Interest paid	—	(7,502)	(10,384)	(6,966)
Payment of deferred financing costs and other	(262)	(2,038)	—	—
Other changes				
Interest expense	—	10,532	16,302	4,592
New leases	—	—	—	75,816
Amortization of deferred financing costs and other fees	7,101	—	—	—
Change in fair value of conversion option	—	—	(16,949)	—
Disposal of Tabakoto mine	—	—	—	(2,138)
At December 31, 2018	**223,279**	**1,387**	**318,969**	**100,381**
Current portion	—	1,387	—	24,034
Long-term portion	223,279	—	318,969	76,347

(1) Included in note 15: Trade and other payables

	Long-term debt				Finance and lease obligations	
	RCF	Corporate loan facility	Accrued interest[1]	Convertible senior notes	Financing arrangements	Lease liabilities
At January 1, 2019	223,279	—	1,387	318,969	100,381	—
Adoption of IFRS 16	—	—	—	—	—	11,636
Changes from financing cash flows						
Debt issued	80,000	—	—	—	—	—
Repayments	—	—	—	—	(21,394)	(2,207)
Interest paid	—	—	(17,194)	(9,900)	(5,420)	(734)
Payment of deferred financing costs and other	(1,153)	—	(1,012)	—	—	—
Other changes						
Interest expense	—	—	18,535	18,607	8,406	879
New leases	—	—	—	—	—	1,061
Amortization of deferred financing costs and other fees	2,827	—	—	—	—	—
Change in fair value of conversion option	—	—	—	6,363	—	—
Foreign exchange and other	(12)	—	1,013	—	(3,892)	(1,882)
At December 31, 2019	**304,941**	**—**	**2,729**	**334,039**	**78,081**	**8,753**
Current portion	—	—	—	—	25,529	3,902
Long-term portion	304,941	—	2,729	334,039	52,552	4,851

(1) Included in note 15: Trade and other payables

20 SUPPLEMENTARY CASH FLOW INFORMATION (Continued)

	Long-term debt				Finance and lease obligations	
	RCF	Corporate loan facility	Accrued interest[1]	Convertible senior notes	Financing arrangements	Lease liabilities
At January 1, 2020	304,941	—	2,729	334,039	78,081	8,753
Added upon acquisition of SEMAFO	—	29,758	—	—	—	24,077
Changes from financing cash flows						
Debt issued	120,000	—	—	—	—	—
Repayments	(120,000)	(30,000)	—	—	(74,614)	(9,310)
Interest paid	—	—	(16,143)	(9,900)	(4,615)	(2,944)
Payment of deferred financing costs and other	(6,027)	—	(906)	—	—	—
Other changes						
Interest expense	—	—	14,334	19,225	5,251	8,485
New leases	—	—	—	—	—	12,176
Amortization of deferred financing costs and other fees	2,781	242	—	—	—	—
Change in fair value of conversion option	—	—	—	43,207	—	—
Reclassification to liabilities held for sale	—	—	—	—	—	(675)
Foreign exchange and other	—	—	899	—	(4,103)	(3,357)
At December 31, 2020	**301,695**	**—**	**913**	**386,571**	**—**	**37,205**
Current portion	—	—	913	—	—	13,661
Long-term portion	301,695	—	—	386,571	—	23,544

(1) Included in note 15: Trade and other payables

21 INCOME TAXES

i. Income tax recognized in the consolidated statement of comprehensive earnings/(loss)

Details of the income tax (expense)/recovery are as follows:

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Current income and other tax expense	(63,588)	(46,745)	(122,594)
Deferred income tax (expense)/recovery	(170)	21,614	36,497
Total income tax expense	(63,758)	(25,131)	(86,097)

The Corporation is not subject to corporate taxation in the Cayman Islands. However, the taxable earnings of the corporate entities in Barbados, Burkina Faso, Canada, Côte d'Ivoire, Mali, Monaco, France, Luxembourg and the United Kingdom are subject to tax under the tax law of the respective jurisdiction. The Corporation is using a weighted average of the domestic tax rate applicable to its West African Mining operations to reconcile earnings to the income tax expense.

21 INCOME TAXES (Continued)

	December 31, 2018	December 31, 2019	December 31, 2020
Earnings/(Loss) before taxes	39,372	(134,843)	219,969
Weighted average domestic tax rate	18%	24%	23%
Income tax expense/(recovery) based on weighted average domestic tax rates	7,205	(32,497)	50,373
Reconciling items:			
Rate differential	13,155	45,691	33,250
Effect of foreign exchange rate changes on deferred taxes	4,612	1,154	(7,799)
Permanent and temporary differences	9,096	3,902	294
Mining convention benefits	—	(8,142)	(9,571)
Effect of alternative minimum taxes and withholding taxes paid	20,302	7,018	4,709
True up and tax amounts paid in respect of prior years	4,886	(104)	1,775
Effect of changes in deferred tax assets not recognized	3,654	9,860	367
Other	848	(1,751)	12,699
Income tax expense	63,758	25,131	86,097

The following is a summary of the tax rates in the various taxable jurisdictions:

	December 31, 2018	December 31, 2019	December 31, 2020
Barbados	2.5%	2.5%	2.5%
Burkina Faso	17.5/27.5%	17.5%	17.5%/27.5%
Canada	26.0%	27.0%	27.0%
Cayman Islands	0.0%	0.0%	0.0%
Côte d'Ivoire	25.0%	25.0%	25.0%
Ghana	35.0%	35.0%	25.0%
Mali	30.0%	30.0%	30.0%
Monaco	33.3%	31.0%	28.0%
France	33.3%	31.0%	31.0%
Luxembourg	19.0%	17.0%	17.0%
United Kingdom	19.3%	19.0%	19.0%

ii. Income taxes payable and receivable

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Income taxes payable related to current year taxable profits	42,178	44,168	103,876
Provision for income taxes	4,886	10,800	46,583
Income taxes payable	47,064	54,968	150,459

21 INCOME TAXES (Continued)

iii. Deferred tax balances

	December 31, 2018	December 31, 2019	December 31, 2020
Deferred income tax assets			
Tax losses not utilized	5,443	—	—
Mining interests, and property, plant and equipment	2,725	7,414	16,571
Inventory	3,158	2	1,559
Trade receivables and other assets	8,143	2,438	2,399
Reclamation and closure cost obligations	5,919	—	—
Deferred income tax liabilities			
Inventory	(1,987)	(1,358)	(1,528)
Current liabilities	(1,664)	—	(807)
Long term liabilities	(1,661)	—	—
Mining interests and other	(84,708)	(52,983)	(294,570)
Net deferred income tax liability	(64,632)	(44,487)	(276,376)

iv.

	December 31, 2018	December 31, 2019	December 31, 2020
Net deferred income tax liability at beginning of the year	(69,639)	(64,632)	(44,487)
Deferred tax liability recognized as part of acquisitions	—	—	(262,677)
Income tax expense charged to earnings during the year	5,007	20,145	44,367
Deferred tax asset included in assets held for sale	—	—	(8,479)
Changes to foreign currency translation and other movements	—	—	(5,100)
Net deferred income tax liability at end of the year	(64,632)	(44,487)	(276,376)

v.

	December 31, 2018	December 31, 2019	December 31, 2020
Net deferred income tax asset	4,186	5,498	19,774
Net deferred income tax liability	(68,818)	(49,985)	(296,150)
Total	(64,632)	(44,487)	(276,376)

vi. Unrecognized deductible temporary differences

At December 31, 2020, the Corporation had deductible temporary differences for which deferred tax assets have not been recognized because it is not probable that future profits will be available against which the Corporation can utilize the benefit. The major components of the deductible temporary differences were comprised as follows:

- $15.1 million (December 31, 2019—$24.7 million, December 31, 2018—$24.7 million) in Burkina Faso, Mali and Cote d'Ivoire arising from mine closure liabilities.
- $4.6 million (December 31, 2019—$29.5 million, December 31, 2019—$ nil) in Burkina Faso arising from the impairment of mineral properties at Karma mine.
- $1.9 million as at December 31, 2018 due to other deductible temporary differences in Burkina Faso, Mali and Cote d'Ivoire.

22 RELATED PARTY TRANSACTIONS

i. Compensation of key management personnel and directors

The remuneration of directors and a number of other members of key management personnel responsible for planning, directing and controlling the activities of the Corporation during the year were as follows:

	YEAR ENDED		
	December 31, 2018	December 31, 2019	December 31, 2020
Short-term benefits	10,105	19,732	19,488
Share-based payments	13,261	12,420	11,825
Total	23,366	32,152	31,313

23 SEGMENTED INFORMATION

The Corporation operates in three principal countries, Burkina Faso (Karma, Houndé, Mana and Boungou mines), Côte d'Ivoire (Ity mine), and Mali (Kalana Project). The following table provides the Corporation's results by operating segment in the way information is provided to and used by the Corporation's chief operating decision maker, which is the CEO, to make decisions about the allocation of resources to the segments and assess their performance. The Corporation considers each of its operational mines a separate segment. Assets held for sale and discontinued operations are not included in the segmented information below. Exploration and Corporate entities do not generate any revenue and are aggregated and presented together as part of the "other" segment on the basis of them sharing similar economic characteristics.

	YEAR ENDED DECEMBER 31, 2018				
	Ity Mine	Karma Mine	Houndé Mine	Other	Total
Revenue					
Gold revenue	107,511	113,061	351,129	—	**571,701**
Cost of sales					
Operating expenses	(58,051)	(102,956)	(127,974)	(70)	**(289,051)**
Depreciation and depletion	(29,028)	(39,852)	(65,541)	(1,229)	**(135,650)**
Royalties	(4,161)	(8,335)	(21,811)	—	**(34,307)**
Earnings/(Loss) from mine operations	**16,271**	**(38,082)**	**135,803**	**(1,299)**	**112,693**

	YEAR ENDED DECEMBER 31, 2019				
	Ity Mine	Karma Mine	Houndé Mine	Other	Total
Revenue					
Gold revenue	267,515	111,185	316,148	—	**694,848**
Cost of sales					
Operating expenses	(107,185)	(79,694)	(158,938)	—	**(345,817)**
Depreciation and depletion	(32,197)	(47,225)	(65,846)	(7,220)	**(152,488)**
Royalties	(10,481)	(8,594)	(21,483)	—	**(40,558)**
Earnings/(Loss) from mine operations	**117,652**	**(24,328)**	**69,881**	**(7,220)**	**155,985**

23 SEGMENTED INFORMATION (Continued)

	YEAR ENDED DECEMBER 31, 2020						
	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Other	Total
Revenue							
Gold revenue	363,930	145,211	494,045	233,044	187,881	—	**1,424,111**
Cost of sales							
Operating expenses	(139,315)	(100,381)	(156,608)	(86,150)	(89,086)	(3,251)	**(574,791)**
Depreciation and depletion	(36,243)	(58,729)	(62,581)	(59,631)	(36,627)	(6,751)	**(260,562)**
Royalties	(19,847)	(13,419)	(38,763)	(15,218)	(11,475)	—	**(98,722)**
Earnings/(Loss) from continuing mine operations	**168,525**	**(27,318)**	**236,093**	**72,045**	**50,693**	**(10,002)**	**490,036**

Segment revenue reported represents revenue generated from external customers. There were no inter-segment sales during the periods ended December 31, 2020, December 31, 2019, or December 31, 2018.

The Corporation is not economically dependent on a limited number of customers for the sale of gold because gold can be sold through numerous commodity market traders worldwide.

The Corporation's assets and liabilities, including geographic location of those assets and liabilities, are detailed below:

	Agbaou Mine	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houndé Mine Burkina Faso	Other[1]	Total
Balances as at December 31, 2018						
Current assets	55,163	37,505	51,683	107,186	76,304	**327,841**
Mining interests	136,114	413,234	296,493	460,694	237,307	**1,543,842**
Other long-term assets	3,966	12,148	6,069	8,494	19,683	**50,360**
Total assets	**195,243**	**462,887**	**354,245**	**576,374**	**333,294**	**1,922,043**
Current liabilities	21,909	73,986	30,069	93,515	28,941	**248,420**
Other long-term liabilities	9,420	44,349	30,169	72,171	573,181	**729,290**
Total liabilities	**31,329**	**118,335**	**60,238**	**165,686**	**602,122**	**977,710**
For the year ended December 31, 2018						
Capital expenditures	30,320	333,539	25,015	63,150	31,123	**483,147**
Balances as at December 31, 2019						
Current assets	81,838	84,580	68,275	118,006	42,115	**394,814**
Mining interests	119,297	415,897	154,415	443,384	277,281	**1,410,274**
Other long-term assets	6,452	27,603	2,709	15,840	15,099	**67,703**
Total assets	**207,587**	**528,080**	**225,399**	**577,230**	**334,495**	**1,872,791**
Current liabilities	42,997	56,695	38,022	77,166	53,135	**268,015**
Other long-term liabilities	9,793	38,321	7,669	61,700	670,796	**788,279**
Total liabilities	**52,790**	**95,016**	**45,691**	**138,866**	**723,931**	**1,056,294**
For the year ended December 31, 2019						
Capital expenditures	25,012	88,603	32,823	40,326	26,860	**213,624**

23 SEGMENTED INFORMATION (Continued)

	Agbaou Mine	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houndé Mine Burkina Faso	Mana Mine Burkina Faso	Boungou Mine Burkina Faso	Other[1]	Total
Balances as at December 31, 2020								
Current assets	—	87,618	50,585	152,761	200,245	113,529	308,605	**913,343**
Mining interests	—	441,549	70,564	467,719	487,306	647,064	451,896	**2,566,098**
Other long-term assets	—	65,449	12,971	28,352	25,453	38,001	51,242	**221,468**
Assets held for sale	180,808	—	—	—	—	—	—	**180,808**
Total assets	**180,808**	**594,616**	**134,120**	**648,832**	**713,004**	**798,594**	**811,743**	**3,881,717**
Current liabilities	—	110,613	28,791	80,666	82,149	74,167	57,465	**433,851**
Other long-term liabilities	—	17,364	13,862	49,367	74,056	175,832	758,409	**1,088,890**
Liabilities held for sale	112,796	—	—	—	—	—	—	**112,796**
Total liabilities	**112,796**	**127,977**	**42,653**	**130,033**	**156,205**	**249,999**	**815,874**	**1,635,537**
For the year ended December 31, 2020								
Capital expenditures	13,861	65,387	17,409	59,210	45,903	9,157	48,312	**259,239**

(1) Other includes exploration entities as well as the corporate entities. The primary components of mining interests are those exploration/ development projects which are not associated with a specific segment, such as the development projects Fetekro and Kalana. Total assets also include cash and other assets held at the corporate level. Total liabilities consist primarily of the long-term debt which is held at a corporate level.

24 CAPITAL MANAGEMENT

The Corporation's objectives of capital management are to safeguard the entity's ability to support the Corporation's normal operating requirements on an ongoing basis, continue the development and exploration of its mining interests and support any expansionary plans.

In the management of capital, the Corporation includes the components of equity, finance obligations, derivatives and long-term debt, net of cash and cash equivalents, restricted cash and marketable securities.

Capital, as defined above, is summarized in the following table:

	December 31, 2018	December 31, 2019	December 31, 2020
Equity	944,333	816,497	2,246,180
Long-term debt	542,248	638,980	688,266
Finance obligations	100,381	86,834	37,205
Derivative financial liabilities	—	10,349	—
	1,586,962	1,552,660	2,971,651
Less:			
Cash and cash equivalents	(124,022)	(189,889)	(644,970)
Cash-restricted	(1,073)	(9,958)	(24,398)
Derivative financial assets	(1,636)	—	—
Marketable securities	(497)	(1,224)	(778)
Total	1,459,734	1,351,589	2,301,505

The Corporation manages its capital structure and adjusts it considering changes in its economic environment and the risk characteristics of the Corporation's assets. To effectively manage the entity's capital requirements, the Corporation has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Corporation has the appropriate liquidity to meet its operating and growth objectives.

The Corporation is not subject to any externally imposed capital requirements with the exception of complying with covenants under the RCF. As at December 31, 2020, December 31, 2019 and December 31, 2018 the Corporation was in compliance with these covenants.

25 COMMITMENTS AND CONTINGENCIES

The Corporation has commitments in place at all six of its mines and other key projects for drill and blasting services, load and haul services, supply of explosives and supply of hydrocarbon services. At December 31, 2020, the Corporation has approximately $10.3 million in commitments relating to on-going capital projects at its various mines.

The Corporation is, from time to time, involved in various claims, legal proceedings, tax assessments and complaints arising in the ordinary course of business from third parties. The Corporation cannot reasonably predict the likelihood or outcome of these actions. The Corporation does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations. At December 31, 2020, the Corporation has recognized a tax provision of $46.6 million with respect to current assessments received from the tax authorities in the various jurisdictions in which the Corporation operates (Burkina Faso, Côte d'Ivoire, and France) as well as uncertain tax positions identified upon the acquisition of SEMAFO as well as through review of the Corporation's historical tax positions. For those amounts recognized related to current tax assessments received, the provision is based on management's best estimate of the outcome of those assessments, based on the validity of the issues in the assessment, management's support for their position, and the expectation with respect to any negotiations to settle the assessment. Management re-evaluates the outstanding tax assessments regularly to update their estimates related to the outcome for those assessments taking into account the criteria above. Management evaluates its uncertain tax positions regularly to update for changes to the tax legislation, the results of any tax audits undertaken, the correction of the uncertain tax position through subsequent tax filings, or the expiry of the period for which the position can be re-assessed. Management considers the material elements of any other claims to be without merit or foundation and will strongly defend its position in relation to these matters and following the appropriate process to support its position. Accordingly, no provision or further disclosure has been made as the likelihood of a material outflow of economic benefits in respect of such claims is considered remote. In forming this assessment, management has considered the professional advice received, the mining conventions and tax laws in place in the various jurisdictions, and the facts and circumstances of each individual claim.

The Corporation was recently served in the Cayman Islands with notice of a claim by a former service provider. The Corporation is taking legal advice on the merits of the claim and the probable outcome but intends to vigorously defend against the claims. The Corporation does not believe that the outcome of the claim will have a material impact to the Corporation's financial position.

The Corporation's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Corporation believes its operations are materially in compliance with all applicable laws and regulations. The Corporation has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Corporation assumed a gold stream when it acquired the Karma Mine on April 26, 2016. The Corporation is obligated to deliver 100,000 ounces of gold (20,000 ounces per year) to Franco-Nevada Corporation and Sandstorm Gold Inc. (the "Syndicate") over a five-year period, which commenced on March 31, 2016, in exchange for 20% of the spot price of gold for each ounce of gold delivered (the "ongoing payment"). The amount that was previously advanced for this agreement of $100.0 million is reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment. Following the five-year period, the Corporation is committed to deliver refined gold equal to 6.5% of the gold production at the Karma Mine for the life of the mine in exchange for ongoing payments. The Corporation delivered an additional 7,500 ounces between July 2017 and April 2019 in exchange for an additional deposit of $5.0 million received in 2017. Gold ounces sold to the Syndicate under the stream agreement are recognized as revenue only on the actual proceeds received, which per the agreement is 20% of the spot gold price. As at December 31, 2020, there are 4,166 ounces still to be delivered.

26 SUBSEQUENT EVENTS

Teranga acquisition

On November 16, 2020, the Corporation announced that a definitive agreement had been entered into whereby the Corporation would acquire all the issued and outstanding securities of Teranga Gold Corporation ("Teranga"). Teranga is a gold mining listed on the TSX with two operational mines in West Africa: the Sabodala-Massawa mine in Senegal, and the Wahgnion mine in Burkina Faso, as well as certain exploration projects. Under the terms of the agreement, Teranga shareholders received 0.470 of an Endeavour share for each Teranga share held resulting in a total of 78,766,690 shares issued upon closing of the acquisition. The shareholders of both Endeavour and Teranga approved the transaction on January 21, 2021, and the acquisition closed on February 10, 2021, following receipt of all remaining regulatory approvals. Acquisition related costs incurred in 2020 related to the Teranga acquisition were $4.4 million and are included in acquisition and restructuring costs on the consolidated statement of comprehensive earnings/(loss). Given the proximity of the acquisition to the approval of these consolidated financial statements, the Corporation is currently assessing the fair values of the assets acquired and liabilities assumed at closing and the initial accounting for the business combination is incomplete at the date of these historical financial information.

Amendment to RCF

On December 24, 2020, the Corporation entered into an amendment agreement of the RCF and a new facility agreement ("Bridge Facility") with a syndicate of international banks, both of which became effective upon closing of the Teranga acquisition on February 10, 2021. The amendment of the RCF includes an extension of the RCF maturity date which now is now January 15, 2023. All other key terms of the RCF remain materially unchanged.

The key terms for the Bridge Facility include:

- Principal amount of $370.0 million.
- Interest accrues on LIBOR plus 2.25% for the first six months after first utilization and increases by 50 bps each subsequent six month period.
- The principal outstanding on the Bridge Facility is repayable as a single bullet payment on the maturity date of January 15, 2023.
- The Bridge Facility can be repaid at any time without penalty but may not be redrawn.

Disposal of Agbaou

As disclosed in Note 4, the Corporation completed the disposal of its Agbaou mine effective March 1, 2021.

Convertible senior notes strike price adjustment

On January 21, 2021, the conversion rate of the Notes was adjusted as a result of the $0.37 per share ordinary dividend announced on January 11, 2020. The new conversion rate is 42.55 of the Corporation's common shares per $1,000 note, and equates to a conversion price of approximately $23.50 (CAD$29.72) per share.

Dividend

On November 12, 2020, the Board of Directors of the Corporation declared a dividend of $0.37 per share totaling $60.0 million (2019—nil, 2018—nil). The dividend was paid on February 5, 2021 to shareholders on record on the close of business on January 22, 2021.

Share buy back program

On March 22, 2021, the Company commenced a normal course issuer bid for its share repurchase program under which the Company is able to acquire up to 12.2 million of its outstanding ordinary shares, which represents up to 5% of the total issued and outstanding ordinary shares as of March 16, 2021. Subsequent to March 31, 2021 and up to June 8, 2021, the Company has repurchased a total of 2.2 million shares at an average price of C$28.53, for total cash outflows of $52.7 million (C$64.1 million).

ENDEAVOUR MINING CORPORATION

Condensed Interim Consolidated Statement of Comprehensive Earnings

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

	Note	THREE MONTHS ENDED March 31, 2021	March 31, 2020
Revenues			
Revenue		**635,792**	226,321
Cost of sales			
Operating expenses		**(251,112)**	(96,092)
Depreciation and depletion		**(122,611)**	(42,928)
Royalties		**(44,366)**	(15,119)
Earnings from mine operations		**217,703**	72,182
Corporate costs		**(11,409)**	(5,231)
Acquisition and restructuring costs	3	**(12,160)**	(4,330)
Share-based compensation	4	**(7,955)**	(1,623)
Exploration costs		**(9,810)**	(1,333)
Earnings from operations		**176,369**	59,665
Other income/(expense)			
Gain/(loss) on financial instruments	5	**42,077**	(2,699)
Finance costs	6	**(12,318)**	(11,503)
Other (expense)/income		**(6,290)**	1,935
Earnings before taxes		**199,838**	47,398
Current income tax expense		**(72,148)**	(19,006)
Deferred income tax expense		**(8,688)**	(907)
Net comprehensive earnings from continuing operations		**119,002**	27,485
Net comprehensive (loss)/earnings from discontinued operations	3	**(3,702)**	7,978
Net comprehensive earnings		**$ 115,300**	$ 35,463
Net earnings from continuing operations attributable to:			
Shareholders of Endeavour Mining Corporation		**94,735**	19,366
Non-controlling interests	15	**24,267**	8,119
		$ 119,002	$ 27,485
Total net earnings attributable to:			
Shareholders of Endeavour Mining Corporation		**89,567**	25,998
Non-controlling interests	15	**25,733**	9,465
		$ 115,300	$ 35,463
Earnings per share from continuing operations			
Basic earnings per share	4	**$ 0.46**	$ 0.18
Diluted earnings per share	4	**$ 0.45**	$ 0.18
Earnings per share			
Basic earnings per share	4	**$ 0.43**	$ 0.24
Diluted earnings per share	4	**$ 0.43**	$ 0.24

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

ENDEAVOUR MINING CORPORATION

Condensed Interim Consolidated Statement of Cash Flows

(Expressed in Thousands of United States Dollars) (Unaudited)

	Note	THREE MONTHS ENDED March 31, 2021	March 31, 2020
Operating Activities			
Earnings from continuing operations before taxes		**199,838**	47,398
Adjustments for:			
Depreciation and depletion		**122,611**	42,928
Finance costs	6	**12,318**	11,503
Share-based compensation	4	**7,955**	1,623
(Gain)/loss on financial instruments	5	**(42,077)**	2,699
Cash paid on settlement of DSUs and PSUs	4	**(13,857)**	(214)
Cash paid on settlement of other financial assets and liabilities		**—**	(497)
Income taxes paid		**(23,574)**	(8,524)
Foreign exchange gain/(loss)		**2,040**	(1,585)
Operating cash flows before changes in working capital		**265,254**	95,331
Trade and other receivables		**(16,398)**	(7,701)
Inventories		**18,864**	12,119
Prepaid expenses and other		**(12,950)**	(1,314)
Trade and other payables		**(48,027)**	1,466
Operating cash flows generated from continuing operations		**206,743**	99,901
Operating cash flows (used by)/generated from discontinued operations	3	**(8,808)**	26,054
Cash generated from operating activities		**$ 197,935**	$ 125,955
Investing Activities			
Expenditures on mining interests	10	**(113,696)**	(48,382)
Cash paid for additional interest of Ity mine	15	**—**	(5,430)
Cash acquired on acquisition of Teranga Gold Operation	3	**27,036**	—
Changes in other assets		**(13,650)**	2,223
Net proceeds from sale of Agbaou	3	**(4,714)**	—
Investing cash flows used by continuing operations		**(105,024)**	(51,589)
Investing cash flows used by discontinued operations	3	**(249)**	(5,645)
Cash used in investing activities		**$ (105,273)**	$ (57,234)
Financing Activities			
Proceeds received from the issue of common shares	4	**199,988**	—
Dividends paid	4	**(60,000)**	—
Payment of financing fees and other		**(7,088)**	(347)
Interest paid		**(9,293)**	(10,571)
Proceeds of long-term debt	6	**490,000**	120,000
Repayment of long-term debt	6	**(443,042)**	—
Repayment of finance and lease obligation		**(10,783)**	(9,153)
Settlement of gold offtake liability	3	**(49,735)**	—
Financing cash flows generated from continuing operations		**110,047**	99,929
Financing cash flows used by discontinued operations	3	**(45,434)**	(335)
Cash generated from financing activities		**$ 64,613**	$ 99,594
Effect of exchange rate changes on cash		**(3,755)**	(861)
Increase in cash and cash equivalents		**153,520**	167,454
Cash and cash equivalents, beginning of period		**644,970**	189,889
Cash relating to assets held for sale, beginning of period		**69,705**	—
Cash and cash equivalents, end of period		**$ 868,195**	$ 357,343

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

ENDEAVOUR MINING CORPORATION

Condensed Interim Consolidated Statement of Financial Position

(Expressed in Thousands of United States Dollars) (Unaudited)

	Note	As at March 31, 2021	As at December 31, 2020
ASSETS			
Current			
Cash and cash equivalents		**868,195**	644,970
Trade and other receivables	7	**110,400**	52,812
Inventories	8	**355,066**	190,017
Prepaid expenses and other	9	**41,927**	26,322
Current assets excluding assets held for sale		**1,375,588**	914,121
Assets held for sale	3	**—**	180,808
		1,375,588	1,094,929
Non-current			
Mining interests	10	**5,090,940**	2,566,098
Deferred tax assets		**13,186**	19,774
Other financial assets	11	**82,933**	25,202
Other long term assets	12	**133,284**	77,010
Goodwill	3	**289,368**	98,704
Total assets		**$ 6,985,299**	$ 3,881,717
LIABILITIES			
Current			
Trade and other payables	13	**363,302**	269,731
Finance and lease obligations		**15,796**	13,661
Other financial liabilities	14	**11,972**	—
Income taxes payable		**292,229**	150,459
Current liabilities excluding liabilities held for sale		**683,299**	433,851
Liabilities held for sale	3	**—**	112,796
		683,299	546,647
Non-current			
Finance and lease obligations		**27,805**	23,544
Long-term debt	6	**1,044,806**	688,266
Other financial liabilities	14	**65,623**	2,919
Environmental rehabilitation provision		**127,930**	78,011
Other long term liabilities	13	**12,384**	—
Deferred tax liabilities		**617,284**	296,150
Total liabilities		**$ 2,579,131**	$ 1,635,537
EQUITY			
Share capital	4	**4,947,920**	3,043,766
Equity reserve	4	**87,334**	70,390
Deficit		**(1,027,573)**	(1,057,140)
Equity attributable to shareholders of the Corporation		**$ 4,007,681**	$ 2,057,016
Non-controlling interests	15	**398,487**	189,164
Total equity		**$ 4,406,168**	$ 2,246,180
Total equity and liabilities		**$ 6,985,299**	$ 3,881,717

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

ENDEAVOUR MINING CORPORATION

Condensed Interim Consolidated Statement of Changes in Equity

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

	Note	SHARE CAPITAL								
		Number of Common Shares	Par Value	Additional Paid in Capital	Total Share Capital	Equity Reserve	Deficit	Total Attributable to Shareholders	Non-Controlling Interests	Total
At 1 January, 2020		**109,927,097**	**10,988**	**1,763,184**	**1,774,172**	**72,487**	**(1,128,792)**	**717,867**	**98,630**	**816,497**
Shares issued on exercise of options and PSU's		1,066,143	107	18,853	18,960	(18,960)	—	—	—	—
Share based compensation	4	—	—	—	—	1,936	—	1,936	—	1,936
Change in non-controlling interests	15	—	—	—	—	—	(430)	(430)	—	(430)
Total net and comprehensive earnings		—	—	—	—	—	25,998	25,998	9,465	35,463
At March 31, 2020		**110,993,240**	**$11,095**	**$1,782,037**	**$1,793,132**	**$ 55,463**	**$ (1,103,224)**	**$ 745,371**	**$108,095**	**$ 853,466**
At 1 January, 2021		**163,036,473**	**16,299**	**3,027,467**	**3,043,766**	**70,390**	**(1,057,140)**	**2,057,016**	**189,164**	**2,246,180**
Consideration on the acquisition of Teranga	3	78,766,690	7,877	1,670,408	1,678,285	30,361	—	1,708,646	186,583	1,895,229
Shares issued on private placement	4	8,910,592	891	199,088	199,979	—	—	199,979	—	199,979
Shares issued on exercise of options and PSU's		1,854,061	185	25,705	25,890	(21,666)	—	4,224	—	4,224
Share based compensation	4	—	—	—	—	8,249	—	8,249	—	8,249
Dividends paid		—	—	—	—	—	(60,000)	(60,000)	—	(60,000)
Disposal of the Agbaou mine	3	—	—	—	—	—	—	—	(2,993)	(2,993)
Total net and comprehensive earnings		—	—	—	—	—	89,567	89,567	25,733	115,300
At March 31, 2021		**252,567,816**	**$25,252**	**$4,922,668**	**$4,947,920**	**$ 87,334**	**$ (1,027,573)**	**$4,007,681**	**$398,487**	**$4,406,168**

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

1 DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Endeavour Mining Corporation ("Endeavour" or the "Company") is a publicly listed gold mining company that operates seven mines in West Africa in addition to having project development and exploration assets. Endeavour is focused on effectively managing its existing assets to maximize cash flows as well as pursuing organic and strategic growth opportunities that benefit from its management and operational expertise.

Endeavour's corporate office is in London, England, and its shares are listed on the Toronto Stock Exchange ("TSX") (symbol EDV) and quoted in the United States on the OTCQX International under the symbol 'EDVMF'. The Company is incorporated in the Cayman Islands and its registered office is located at 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands.

The Company has been taking steps to monitor and address the risks in response to the COVID-19 pandemic and their impact on the Company's operations (Note 2.3).

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the accounting policies consistent with International Financial Reporting Standards ('IFRS'), and do not include all of the information required for full annual financial statements prepared using IFRS.

These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2020, which include information necessary or useful to understanding the Company's operations, financial performance, and financial statement presentation. In particular, the Company's significant accounting policies were presented as Note 2 to the consolidated financial statements for the year ended December 31, 2020 and have been consistently applied in the preparation of these condensed interim consolidated financial statements.

2.2. BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared on the historical cost basis, except for the acquisition of SEMAFO Inc. ("SEMAFO") and Teranga Gold Corporation ("Teranga") (Note 3) and certain financial instruments that are measured at fair value at the end of each reporting period. The Company's accounting policies have been applied consistently to all periods in the preparation of these condensed interim consolidated financial statements. In preparing the Company's condensed interim consolidated financial statements for the three months ended March 31, 2021, the Company applied the critical judgments and estimates disclosed in note 3 of its consolidated financial statements for the year ended December 31, 2020.

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company, which is defined as having the power over the entity, rights to variable returns from its involvement with the entity, and the ability to use its power to affect the amount of returns. All intercompany transactions and balances are eliminated on consolidation. The Company's material subsidiaries at March 31, 2021 are consistent with the consolidated financial statements for the year ended December 31, 2020, except for the sale of Agbaou Gold Operations on March 1, 2021, and for

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

the following subsidiaries which were acquired on February 10, 2021 with the completion of the acquisition of Teranga (Note 3):

Entities	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held March 31, 2021
Sabodala Gold Operations SA	Gold Operations	Senegal	90%
Wahgnion Gold Operations SA	Gold Operations	Burkina Faso	89.8%
Teranga Gold Corporation	Holding	Canada	100%
Teranga Gold (Senegal) Corporation	Holding	Canada	100%
Sabodala Mining Company Sarl	Exploration	Senegal	100%

2.3. COVID-19 PANDEMIC RISKS

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new novel coronavirus ("COVID-19") as a pandemic. In response to health risks associated with the spread of COVID-19, the Company implemented a number of health and safety measures designed to protect employees at its operations around the world.

As of the date of issuance of these condensed interim consolidated financial statements, the Company's operations have not been significantly impacted, however, the Company continues to monitor the situation. While the Company's financial position, performance and cash flows could be further negatively impacted, the extent of the impact cannot be reasonably estimated at this time. Management continues to monitor and assess the short and medium-term impacts of the COVID-19 virus, including for example supply chain, mobility, workforce, market and trade flow impacts, as well as the resilience of Canadian, West African, and other global financial markets to support recovery. Any longer term impacts are also being considered and monitored, as appropriate. However, this pandemic continues to evolve rapidly and its effects on our own operations are uncertain. It is possible that in the future operations may be temporarily shut down or suspended for indeterminate amounts of time, any of which may, individually or in the aggregate, have a material and adverse impact on our business, results of operations and financial performance. The extent to which COVID-19 may impact the Company's business and operations will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of and the actions required to contain COVID-19 or remedy its impact.

The global response to the COVID-19 pandemic has resulted in, among other things, border closures, severe travel restrictions, as well as quarantine, self-isolation and other emergency measures imposed by various governments. Additional government or regulatory actions or inaction around the world in jurisdictions where the Company operates may also have potentially significant economic and social impacts. The COVID-19 virus and efforts to contain it may have a significant effect on commodity prices, and the possibility of a prolonged global economic downturn may further impact commodity demand and prices. If the business operations of the Company are disrupted or suspended as a result of these or other measures, it may have a material adverse effect on the Company's business, results of operations and financial performance.

The global pandemic caused by COVID-19 may affect Endeavour's ability to operate at one or more of its mines for an indeterminate period of time, may affect the health of its employees or contractors resulting in diminished expertise or capacity, may mean that key expat or contract resources cannot access West Africa, may result in delays or disruption in its supply chain leading to unavailability of critical spares and inventory (or increased costs), may lead to restrictions on transferability of currency, may cause business continuity issues at global gold refineries (and therefore its ability to generate revenue), may mean it cannot transport gold from its sites to refineries, may result in failures of various local administration, logistics and critical infrastructure, may cause social instability in West African countries which in turn could disrupt business continuity, and may result in additional and currently unknown liabilities.

3 ACQUISITIONS AND DIVESTITURES

In the three months ended March 31, 2021, the Company incurred $12.2 million (March 31, 2020—$4.3 million) of acquisition related costs, relating to advisory, legal, valuation and other professional fees, primarily with respect to the acquisition of Teranga, the disposal of the Agbaou cash generating unit ('CGU') and the acquisition of SEMAFO. These costs are expensed as acquisition and restructuring costs within the condensed interim consolidated statement of comprehensive earnings .

a. Acquisition of Teranga

On February 10, 2021, the Company completed the acquisition of Teranga. Teranga was a Canadian-based gold mining company listed on the TSX and in the United States on the OTCQX market with two operating mines in West Africa: the Sabodala-Massawa Gold Complex ("Sabodala-Massawa") in Senegal and the Wahgnion Gold Mine ("Wahgnion") in Burkina Faso. In addition, Teranga had a number of early to advanced stage exploration properties in Burkina Faso, Côte d'Ivoire and Senegal. The acquisition of Teranga supports the Company's growth strategy and enhances the Company's production profile.

Under the terms of the agreement, the Company acquired 100% of the issued and outstanding shares of Teranga at an exchange rate of 0.47 of an Endeavour share for each Teranga share held which resulted in a total of 78,766,690 shares issued upon closing of the acquisition. Given the issuance of Endeavour common shares as a result of the transaction and the relative voting rights of the Endeavour and Teranga shareholders subsequent to the transaction being completed, Endeavour has been identified as the acquirer and has accounted for the transaction as a business combination.

Following the acquisition of Teranga, La Mancha Holding S.àr.l. ("La Mancha") exercised its anti-dilution right to maintain its interest in the Company and completed a $200.0 million private placement for 8,910,592 shares of Endeavour (Note 4).

As of the date of these condensed interim consolidated financial statements, the determination of the fair value of assets acquired and liabilities assumed is based on preliminary estimates at the date of acquisition and has not been finalized. The Company retained an independent appraiser to determine the fair value of the assets acquired and liabilities assumed, using income, market and cost valuation methods. The excess of total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill, which is not deductible for tax purposes. The goodwill balance is attributable to the recognition of a deferred tax liability from the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The non-controlling interest is measured at its proportionate share of the fair value of net assets.

The Company is still in the process of finalizing the fair values of the mining interests acquired, which are estimated using discounted cash flow models, where the expected future cash flows are based on estimates of future gold prices, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on the life of mine plans at the acquisition date. In addition to the fair value of the mining interests, the evaluation of the inventories on hand at the acquisition date, the evaluation of the liabilities and tax contingencies assumed, and the resulting determination of the deferred taxes, are all subject to change at March 31, 2021 if information arises which would impact management's assessment of the fair value at the acquisition date. The actual fair values of the assets and liabilities may differ materially from the amounts disclosed in the preliminary fair value below, and the amount recognized as goodwill may change. Any adjustments to the allocation of the purchase consideration will be recognized retrospectively and comparative information will be revised. Adjustments to the purchase price allocation can be made throughout the measurement period, which is not to exceed one year from the acquisition date.

3 ACQUISITIONS AND DIVESTITURES (Continued)

The consideration and preliminary allocation to the value of assets acquired and liabilities assumed are as follows:

	Fair value at acquisition
Purchase price:	
Fair value of 78.8 million Endeavour common shares issued	1,678,285
Fair value of Endeavour options issued	30,361
Fair value of Endeavour warrants and call-rights issued	41,554
	$1,750,200
Net assets/(liabilities) acquired	
Cash	27,036
Net working capital (excluding inventory)	(125,545)
Inventory	239,000
Mining interests	2,528,474
Other long-term assets	2,000
Goodwill	190,664
Debt	(358,856)
Income taxes payable	(100,000)
Offtake liability	(49,735)
Contingent consideration	(45,600)
Reclamation liability	(38,064)
Other liabilities acquired	(9,599)
Deferred taxes	(322,992)
Non-controlling interest	(186,583)
Net Assets	**$1,750,200**

The significant assumptions used in the determination of the fair value of the mining interests were as follows:

Assumption	Sabodala-Massawa	Wahgnion
Gold price—2021 to 2024	$1,900 to $1,750 per ounce	$1,900 to $1,750 per ounce
Long-term gold price	$1,600 per ounce	$1,600 per ounce
Discount rate	6.3%	7.0%
Mine life	14 years	10 years
Average grade over life of mine	1.97 g/t	1.57 g/t
Average recovery rate	89%	92%

During the three months ended March 31, 2021 the Company settled the full amount outstanding under the gold offtake liability which resulted in a cash outflow of $49.7 million.

Consolidated revenue for the three months ended March 31, 2021 includes revenue from the date of acquisition from the assets acquired in the acquisition of Teranga of $140.2 million. The consolidated earnings for the three months ended March 31, 2021 includes net earnings before tax from the date of acquisition from the assets acquired in the acquisition of Teranga of $43.7 million. Had the transaction occurred on January 1, 2021, the pro forma unaudited consolidated revenue and net earnings before taxes for the three months ended March 31, 2021 would have been approximately $698.6 million and $114.2 million, respectively.

b. Acquisition of SEMAFO

On July 1, 2020, the Company completed the acquisition of SEMAFO. SEMAFO was a gold mining company listed on the TSX with two operating mines in West Africa: the Mana and Boungou mines in Burkina Faso as well as certain exploration stage assets. The acquisition of SEMAFO supported the Company's growth strategy and enhanced the Company's production profile.

3 ACQUISITIONS AND DIVESTITURES (Continued)

Under the terms of the transaction, the Company acquired 100% of the issued and outstanding shares of SEMAFO at an exchange rate of 0.1422 Endeavour share for each outstanding SEMAFO share, which resulted in the issuance of 47,561,205 common shares of Endeavour. Given the issuance of Endeavour common shares as a result of the transaction, the relative voting rights of the Endeavour and SEMAFO shareholders subsequent to the transaction being completed, Endeavour has been identified as the acquirer and has accounted for the transaction as a business combination.

Following the acquisition of SEMAFO, La Mancha exercised its anti-dilution right to maintain its interest in the Company and completed a $100.0 million private placement for 4,507,720 shares of Endeavour (Note 4).

As of the date of these condensed interim consolidated financial statements, the determination of the fair value of assets acquired and liabilities assumed is based on preliminary estimates at the date of acquisition and has not been finalized. The Company retained an independent appraiser to determine the fair value of the assets acquired and liabilities assumed, using income, market and cost valuation methods. The excess of total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill, which is not deductible for tax purposes. The goodwill balance is attributable to the recognition of a deferred tax liability from the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The non-controlling interest is measured at its proportionate share of the fair value of net assets.

The Company is still in the process of finalizing the fair values of the mining interests acquired, which are estimated using discounted cash flow models, where the expected future cash flows are based on estimates of future gold prices, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on the life of mine plans at the acquisition date. In addition to the fair value of the mining interests, the evaluation of the liabilities and tax contingencies assumed, and the resulting determination of the deferred taxes, are all subject to change at March 31, 2021 if information arises which would impact management's assessment of the fair value at the acquisition date. The actual fair values of the assets and liabilities may differ materially from the amounts disclosed in the preliminary fair value below, and the amount recognized as goodwill may change. Any adjustments to the allocation of the purchase consideration will be recognized retrospectively and comparative information will be revised. Adjustments to the purchase price allocation can be made throughout the measurement period, which is not to exceed one year from the acquisition date.

The consideration and preliminary allocation to the value of assets acquired and liabilities assumed are as follows, and has not changed since the preliminary allocation as at December 31, 2020:

	Revised preliminary purchase price allocation
Purchase price:	
Fair value of 47.6 million Endeavour common shares issued	1,151,328
	$1,151,328
Net assets/(liabilities) acquired	
Cash	92,981
Net working capital acquired (excluding cash)	107,986
Mining interests	1,319,587
Goodwill	98,704
Restricted cash	24,000
Other long-term assets	7,505
Current portion of long-term debt	(29,758)
Lease liabilities	(24,044)
Income taxes payable	(36,093)
Other long-term liabilities	(40,661)
Deferred tax	(262,677)
Non-controlling interest	(106,202)
Net Assets	**$1,151,328**

3 ACQUISITIONS AND DIVESTITURES (Continued)

c. Discontinued operations

On March 1, 2021, the Company completed the sale of its 85% interest in the Agbaou mine CGU to Allied Gold Corp Limited ("Allied"). The consideration upon sale of the Agbaou mine included (i) a cash payment of $16.4 million (net of working capital adjustments of $3.6 million upon closing), of which $10.5 million was received in the first quarter of 2021; (ii) $40.0 million in Allied shares of which Endeavour has the option to sell the shares back to Allied at the issue price which expires on December 31, 2022 or earlier if Allied conducts an IPO before then; (iii) contingent consideration of up to $20.0 million comprised of $5.0 million payments for each quarter where the average gold price exceeds $1,900 per ounce; and (iv) a net smelter royalty ("NSR") on ounces produced in excess of the Agbaou reserves estimated as at December 31, 2019. The NSR royalty will be based on a sliding scale, linked to the average spot gold price as follows: 2.5% if the gold price is at least $1,400 per ounce, 2% if the gold price is at least $1,200 per ounce and less than $1,400 per ounce, 1% if the gold price is at least $1,000 per ounce and less than $1,200 per ounce, and 0% if the gold price is below $1,000 per ounce.

The fair value of the various aspects of the consideration at the closing date were as follows (all of which, except for the cash, are classified as Level 3 fair value measurements):

- The cash was determined to have a fair value of $16.4 million, which is the agreed upon $20.0 million, net of working capital adjustments on closing;
- The fair value of the Allied shares was determined to be $40.0 million based on the value of the option to sell back the shares, as well as recent share issuances of Allied shares with other arm's length parties;
- The fair value of the contingent consideration based on the gold price was estimated using a Monte Carlo simulation model using the following key inputs: spot price of gold of $1,723 per ounce, annualized gold price volatility of 18.36%, for each of the quarters in 2021, which resulted in a fair value of $0.5 million; and
- The fair value of the NSR was estimated using probability-weighted scenarios with respect to discounted cash flow models for future production that might exceed the Agbaou reserves at December 31, 2019. Based on the various scenarios considered, the fair value of the NSR was $5.5 million.

The results of operations have been restated for the comparative periods to reclassify the (loss)/earnings relating to Agbaou as (loss)/earnings from discontinued operations. During the three months ended March 31 ,2021, the financing cash flows from discontinued operations include the payment of dividends to minority shareholders of $45.2 million which had been declared in December 2020.

3 ACQUISITIONS AND DIVESTITURES (Continued)

The Corporation recognized a loss on disposal of $13.5 million, net of tax, calculated as follows:

	March 1, 2021
Cash proceeds	16,350
Shares in Allied Gold	40,000
Contingent consideration	517
Net smelter royalty	5,548
Transaction costs	(471)
Total proceeds	61,944
Cash and cash equivalents	15,214
Restricted cash	6,292
Trade and other receivables	257
Prepaid expenses and other	2,018
Inventories	29,439
Mining interests	64,951
Other long term assets	8,837
Total assets	127,008
Trade and other payables	(22,113)
Other liabilities	(26,420)
Total liabilities	(48,533)
Net assets	78,475
Non-controlling interests	(2,991)
Net assets attributable to Endeavour	75,484
Loss on disposition	(13,540)

The profit and loss for the CGU was as follows:

	THREE MONTHS ENDED	
	March 31, 2021	March 31, 2020
Revenue	**25,426**	43,581
Operating costs	**(14,250)**	(18,311)
Depreciation and depletion	**—**	(9,601)
Royalties	**(1,418)**	(2,333)
Other income/(expenses)	**80**	(952)
Loss on disposition	**(13,540)**	—
(Loss)/earnings before taxes	**$ (3,702)**	$ 12,384
Deferred and current income tax expense	**—**	(4,406)
Net comprehensive (loss)/earnings from discontinued operations	**$ (3,702)**	$ 7,978
Attributable to:		
Shareholders of Endeavour Mining Corporation	**(5,168)**	9,324
Non-controlling interest	**1,466**	(1,346)
Total comprehensive (loss)/earnings from discontinued operations	**$ (3,702)**	$ 7,978
Net (loss)/earnings per share from discontinued operations		
Basic	**$ (0.02)**	$ 0.08
Diluted	**$ (0.02)**	$ 0.08

4 SHARE CAPITAL

i. Share capital

Authorized

- 300,000,000 voting shares of $0.10 par value

On March 30, 2021, La Mancha exercised its anti-dilution right to maintain its interest in the Company and completed a $200.0 million private placement for 8,910,592 shares of Endeavour (Note 3). Upon completion of the investment, La Mancha's future anti-dilution rights have now been extinguished and La Mancha's ownership of Endeavour was 19.0% at March 31, 2021 (December 31, 2020—24.1%).

On February 10, 2021, the Company completed the acquisition of Teranga. Under the terms of the transaction, the Company acquired 100% of the issued and outstanding shares of Teranga at an exchange rate of 0.47 Endeavour shares for each outstanding Teranga share, which resulted in the issuance of 78,766,690 common shares of Endeavour at a total fair value of $1,678.3 million.

On December 13, 2020, the Company amended the authorized share capital from 200,000,000 voting ordinary shares of a par value of $0.10 each and 100,000,000 undesignated shares to 300,000,000 voting ordinary shares of a par value of $0.10 each.

On November 12, 2020, the Board of Directors of the Company declared a dividend of $0.37 per share totaling $60.0 million (2019—nil). The dividend was paid on February 5, 2021 to shareholders on record on the close of business on January 22, 2021.

On July 1, 2020, the Company completed the acquisition of SEMAFO. Under the terms of the transaction, the Company acquired 100% of the issued and outstanding shares of SEMAFO at an exchange rate of 0.1422 Endeavour share for each outstanding SEMAFO share, which resulted in the issuance of 47,561,205 common shares of Endeavour at a total fair value of $1,151.3 million.

On July 3, 2020, La Mancha exercised its anti-dilution right to maintain its interest in the Company and completed a $100.0 million private placement for 4,507,720 shares of Endeavour (note 3).

On June 30, 2020, the Company held 448,181 shares in SEMAFO which were converted into 63,731 common shares of Endeavour on July 1, 2020. On September 22, 2020, the Company cancelled these treasury shares which resulted in a reduction of $1.2 million in share capital.

ii. Share-based compensation

The following table summarizes the share-based compensation expense:

	THREE MONTHS ENDED	
	March 31, 2021	March 31, 2020
Amortization and change in fair value of DSUs	(161)	(527)
Amortization and change in fair value of PSUs	8,116	2,150
Total share-based expenses	**$7,955**	$1,623

iii. Options

	Options outstanding	Weighted average exercise price
		(C$)
Added upon acquisition of Teranga	3,517,187	16.27
Exercised	(641,881)	8.32
Expired	(587,030)	31.92
At March 31, 2021	**2,288,276**	**14.49**

4 SHARE CAPITAL (Continued)

Upon acquisition of Teranga, all outstanding Teranga stock options, whether previously vested or unvested, became fully vested and exchanged for replacement options to purchase common shares of Endeavour at a ratio of 0.47 Endeavour share options for each Teranga share option at an adjusted exercise price, with an expiry date of the earlier of (i) the original expiry date of each Teranga stock option, and (ii) the second year anniversary of the closing date of the acquisition transaction. The fair values at the acquisition date were calculated using the Black-Scholes valuation model using a volatility of 42.64%–60.05%, a dividend yield of 2.6% and a risk free rate of 0.1%. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time to the date of their expiry.

As at March 31, 2021, the weighted average remaining contractual term of outstanding stock options exercisable was 1.65 years. The share options are exercisable at prices ranging from C$6.60 to C$31.92.

iv. Share unit plans

A summary of the changes in share unit plans is presented below:

	DSUs outstanding	Weighted average grant price (C$)	PSUs outstanding	Weighted average grant price (C$)
At December 31, 2019	178,684	13.67	3,298,377	19.05
Granted	20,455	28.62	2,072,183	21.55
Exercised	(73,978)	16.88	(1,089,232)	19.08
Forfeited	—	—	(1,152,986)	19.50
Added by performance factor	—	—	85,463	18.57
At December 31, 2020	125,161	14.22	3,213,805	20.48
Granted	11,521	25.86	1,110,135	28.73
Exercised	(1,858)	31.33	(1,216,475)	22.48
Forfeited	—	—	(22,450)	22.41
Adjustment for dividend	2,210	18.39	76,698	23.12
Added by performance factor	—	—	292,922	22.54
At March 31, 2021	**137,034**	**15.03**	**3,454,635**	**22.65**

v. Deferred share units

The Company established a deferred share unit plan ("DSU") for the purposes of strengthening the alignment of interests between non-executive directors of the Company and shareholders by linking a portion of the annual director compensation to the future value of the Company's common shares. Upon establishing the DSU plan for non-executive directors, the Company no longer grants options to non-executive directors.

The DSU plan allows each non-executive director to choose to receive, in the form of DSUs, all or a percentage of their director's fees, which would otherwise be payable in cash. Compensation for serving on committees must be paid in the form of DSUs. The plan also provides for discretionary grants of additional DSUs by the Board. Each DSU vests upon award but is distributed only when the director has ceased to be a member of the Board. Vested units are settled in cash based on the common share price at the date of settlement.

The fair value of the DSUs is determined based on multiplying the 5 day volume weighted average share price of the Company by the number of DSUs at the end of the reporting period.

The total fair value of DSUs at March 31, 2021 was $2.7 million (December 31, 2020—$2.9 million). The total DSU share-based compensation recognized in the condensed interim consolidated statement of comprehensive earnings was an income of $0.2 million for the three months ended March 31, 2021 (for the three months ended March 31, 2020, income of $0.5 million).

4 SHARE CAPITAL (Continued)

vi. Performance share units

The Company's long-term incentive plan ("LTI Plan") includes a portion of performance-linked share unit awards ("PSUs"), intended to increase the pay mix in favor of long-term equity-based compensation with three-year cliff-vesting to serve as an employee retention mechanism.

The fair value of the PSUs is determined based on Total Shareholder Return ("TSR") relative to peer companies for 50% of the value of the PSU's, while the remaining 50% of the value of the PSU's granted is based on achieving certain operational performance measures. The vesting conditions related to the achievement of operational performance measures noted above are determined at the grant date and the number of units that are expected to vest is reassessed at each subsequent reporting period based on the estimated probability of reaching the operational targets.

- Key future operational targets in 2023 for 2021 PSU grants are gold production targets (25%), capital project targets (12.5%), and carbon reduction and renewable energy targets (12.5%);
- Key future operational targets in 2022 for 2020 PSU grants are net debt / earnings before interest, tax, depreciation and amortization ("EBITDA") (25%), gold production targets (12.5%), and Environmental, Social and Governance ("ESG") targets (12.5%);
- Key future operational targets in 2021 for 2019 PSU grants were resource discovery (25%), gold production relative to guidance (12.5%), and net debt / EBITDA (12.5%).

The fair value related to the TSR portion is determined using a multi-asset Monte Carlo simulation model using a dividend yield of 2.5% (2019, 0%), as well as historical TSR levels and historical volatility of the constituents of the S&P TSX Global Gold Index (2019, same).

The total PSU share-based expense recognized in the condensed interim consolidated statement of comprehensive earnings for three months ended March 31, 2021 was $8.1 million (for the three months ended March 31, 2020, expense of $2.2 million).

vii. Basic and diluted earnings per share

Diluted net earnings per share was calculated based on the following:

	THREE MONTHS ENDED	
	March 31, 2021	**March 31, 2020**
Basic weighted average number of shares outstanding	**208,000,893**	110,584,356
Effect of dilutive securities[1]		
Stock options and warrants	**1,212,814**	8,249
Diluted weighted average number of shares outstanding	**209,213,707**	110,592,605
Total common shares outstanding	**252,567,816**	110,993,240
Total potential diluted common shares	**260,049,727**	116,576,270

At March 31, 2021, a total of 3,454,635 PSU's (5,568,080 at March 31, 2020) could potentially dilute basic earnings per share in future, but were not included in diluted earnings per share as all vesting conditions have not been satisfied at the end of the reporting period. 314,900 stock options were anti-dilutive as at March 31, 2021 and were excluded from the determination of the diluted weighted average number of shares outstanding (March 31, 2020—nil). The potentially dilutive impact of the convertible senior notes are anti-dilutive for the period and were not included in the diluted earnings per share.

5 FINANCIAL INSTRUMENTS AND RELATED RISKS

i. Financial assets and liabilities

The Company's financial instruments are classified as follows:

	Financial assets/liabilities at amortized cost	Financial instruments at fair value through other comprehensive income	Financial instruments at fair value through profit and loss ('FVTPL')
Cash			X
Trade and other receivables	X		
Restricted cash			X
Marketable securities			X
Other long-term receivable			X
Other financial assets			X
Trade and other payables	X		
Share warrant liabilities			X
Call-rights			X
Contingent consideration			X
Corporate loan facilities	X		
Convertible senior notes	X		
Conversion option on convertible senior notes			X

The fair value of these financial instruments approximates their carrying value, unless otherwise noted below, except for the convertible note, which has a fair value of approximately $375.4 million (December 31, 2020—$398.6 million).

As noted above, the Company has certain financial assets and liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques to measure fair value:

Classification of financial assets and liabilities

Level 1—quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2—inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3—inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

5 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

As at each of March 31, 2021 and December 31, 2020, the levels in the fair value hierarchy into which the Company's financial assets and liabilities measured and recognized in the condensed interim consolidated statement of financial position at fair value are categorized as follows:

		AS AT MARCH 31, 2021			
	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		868,195	—	—	868,195
Cash—restricted	11	34,973	—	—	34,973
Other long term receivable	11	—	439	5,614	6,053
Other financial assets	11	224	40,000	1,683	41,907
Marketable securities	9	2,439	—	—	2,439
Total		**$905,831**	**$ 40,439**	**$7,297**	**$ 953,567**
Liabilities:					
Conversion option on Notes	6	—	(46,266)	—	(46,266)
Share warrant liabilities	14	—	(18,445)	—	(18,445)
Call-rights	14	—	(11,972)	—	(11,972)
Contingent consideration	14	—	(44,448)	—	(44,448)
Total		**$ —**	**$ (121,131)**	**$ —**	**$ (121,131)**

		AS AT DECEMBER 31, 2020			
	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		644,970	—	—	644,970
Cash—restricted	11	24,398	—	—	24,398
Other long term receivable	11	—	—	804	804
Marketable securities	9	778	—	—	778
Total		**$670,146**	**$ —**	**$804**	**$ 670,950**
Liabilities:					
Conversion option on Notes	6	—	(74,646)	—	(74,646)
Derivative financial instruments	17	—	—	—	—
Total		**$ —**	**$ (74,646)**	**$ —**	**$ (74,646)**

There were no transfers between level 1 and 2 during the period. The fair value of level 3 financial assets were determined using a Monte Carlo or discounted cash flow valuation models, taking into account assumptions with respect to gold prices and discount rates as well as estimates with respect to production and operating results at the disposed mine.

5 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

ii. Gain/(loss) on financial instruments

	Note	THREE MONTHS ENDED March 31, 2021	March 31, 2020
Gain on other financial instruments		**375**	55
Change in value of receivable at FVTPL		**179**	(132)
Unrealized gain on convertible senior bond derivative	6	**28,380**	2,675
Gain on change in fair value of warrant liabilities	14	**3,788**	—
Gain on change in fair value of call rights	14	**7,349**	—
Gain on change in fair value of contingent consideration	14	**984**	—
Gain/(loss) on foreign exchange		**1,022**	(998)
Realized gain on forward contract	14	**—**	6,686
Loss on gold revenue protection program	14	**—**	(10,985)
Total gain/(loss) on financial instruments		**$42,077**	$ (2,699)

iii. Financial instrument risk exposure

The Company's activities expose it to a variety of risks that may include credit risk, liquidity risk, currency risk, interest rate risk and other price risks, including equity price risk. The Company examines the various financial instrument risks to which it is exposed and assesses any impact and likelihood of those risks. There has been no significant changes to the financial instrument risk exposure as disclosed in note 7 of its consolidated financial statements for the year ended December 31, 2020.

6 LONG-TERM DEBT

	March 31, 2021	December 31, 2020
Corporate loan facilities (i)(ii)	700,000	310,000
Deferred financing costs	(13,264)	(8,305)
Revolving credit facility	**$ 686,736**	$301,695
Convertible senior notes (iii)	311,804	311,925
Conversion option (iv)	46,266	74,646
Convertible senior bond	**$ 358,070**	$386,571
Total long-term debt	**$1,044,806**	$688,266

The Company incurred the following finance costs in the period:

	THREE MONTHS ENDED March 31, 2021	March 31, 2020
Interest expense	**9,961**	10,231
Amortization of deferred facility fees	**1,740**	740
Commitment, structuring and other fees	**617**	532
Total finance costs	**$12,318**	$11,503

i. Corporate Loan Facility

On September 10, 2020, the Company signed for a one year extension on its $430.0 million revolving credit facility ("RCF") with a syndicate of leading international banks, delaying the maturity date to September 2022. Subsequently on December 24, 2020, the Company entered into an amendment agreement to the RCF, extending its maturity to January 15, 2023 which became effective on February 10, 2021.

6 LONG-TERM DEBT (Continued)

The key terms of the RCF include:

- Principal amount of $430.0 million.
- Interest accrues on a sliding scale of between LIBOR plus 2.95% to 3.95% based on the Company's leverage ratio.
- Commitment fees for the undrawn portion of the RCF of 1.03%.
- The RCF matures in January 15, 2023.
- The principal outstanding on the RCF is repayable as a single bullet payment on the maturity date.
- Banking syndicate includes Société Générale, ING, Citibank N.A., Investec Bank Plc, Macquarie Bank Ltd, Barclays Bank, HSBC and BMO.
- The RCF can be repaid at any time without penalty.

Covenants on the RCF include:

- Interest cover ratio as measured by ratio of earnings before interest, tax, depreciation and amortization ("EBITDA") to finance cost for the trailing 12 months to the end of a quarter shall not be less than 3.0:1.0
- Leverage as measured by the ratio of net debt to EBITDA at the end of each quarter must not exceed 3.5:1.0

ii. Corporate Bridge Facility

On December 24, 2020, the Company entered into an agreement for a new facility agreement ("Bridge Facility") with a syndicate of international banks which came into effect on February 10, 2021.

The key terms of the Bridge Facility include:

- Principal amount of $370.0 million.
- Interest accrues on LIBOR plus 2.25% for the first six months after first utilization and increases by 50 basis points each subsequent six month period.
- The principal outstanding on the Bridge Facility is repayable as a single bullet payment on the maturity date of January 15, 2023.
- The Bridge Facility can be repaid at any time without penalty but may not be redrawn.

Covenants on the Bridge Facility include:

- Interest cover ratio as measured by ratio of EBITDA to finance cost for the trailing 12 months to the end of a quarter shall not be less than 3.0:1.0
- Leverage as measured by the ratio of net debt to EBITDA at the end of each quarter must not exceed 3.5:1.0

iii. Convertible Senior Notes

On February 8, 2018, the Company completed a private placement of convertible senior notes with a total principal amount of $330.0 million due in 2023 (the "Notes"). The initial conversion rate was 41.84 of the Company's common shares ("Shares") per $1,000 Note, or an initial conversion price of approximately $23.90 (CAD$29.47) per share.

On January 21, 2021, the conversion rate of the Notes was adjusted as a result of the $0.37 per share ordinary dividend announced on January 11, 2021. The new conversion rate is 42.55 of the Company's common shares per $1,000 note, and equates to a conversion price of approximately $23.50 (CAD$29.72) per share.

6 LONG-TERM DEBT (Continued)

The Notes bear interest at a coupon rate of 3% payable semi-annually in arrears on February 15 and August 15 of each year. Notes mature on February 15, 2023, unless redeemed earlier, repurchased or converted in accordance with the terms of the Notes. The note holders can convert their Notes at any time prior to the maturity date. Also, the Notes are redeemable in whole or in part, at the option of the Company, at a redemption price equal to the principal amount of the Notes being redeemed, plus any accrued and unpaid interest, if the share price exceeds 130% of the conversion price on each of at least 20 of the trading days during the 30 days prior to the redemption notice. The Company may, subject to certain conditions, elect to satisfy the principal amount and conversion option due at maturity or upon conversion or redemption through the payment or delivery of any combination of Shares and cash.

The key terms of the Convertible Senior Notes include:

- Principal amount of $330.0 million.
- Coupon rate of 3% payable on a semi-annual basis.
- The term of the notes is 5 years, maturing in February 2023.
- The notes are reimbursable through the payment or delivery of shares and/or cash.
- The conversion price is $23.50 (CAD$29.72) per share.
- The reference share price of the notes is $18.04 (CAD$22.24) per share.

For accounting purposes, the Company measures the Notes at amortized cost, accreting to maturity over the term of the Notes. The conversion option is an embedded derivative and is accounted for as a financial liability measured at fair value through profit or loss.

The unrealized gain/loss on the convertible note option for the three months ended March 31, 2021 was an unrealized gain of $28.4 million (three months ended March 31, 2020—unrealized gain of $2.7 million).

The liability component for the Notes at March 31, 2021 has an effective interest rate of 6.2% (December 31, 2020: 6.2%) and was as follows:

	March 31, 2021	December 31, 2020
Liability component at beginning of the period	**311,925**	302,600
Interest expense in the period	**4,829**	19,225
Less: Interest payments in the period	**(4,950)**	(9,900)
Total	**$311,804**	$311,925

iv. Conversion option

The conversion option related to the Notes is recorded at fair value, using a convertible bond valuation model, taking account the observed market price of the Notes. The following assumptions were used in the determination of fair value of the conversion option and fixed income component of the Notes, which was then calibrated to the total fair value of the Notes: volatility of 49% (December 31, 2020, 56%), term of the conversion option 1.88 years (December 31, 2020, 2.13 years), a dividend yield of 2.5% (December 31, 2020, 2.5%), credit spread of 3% (December 31, 2020, 4%), and a share price of CAD$25.33 (December 31, 2020, CAD$29.62).

	March 31, 2021	December 31, 2020
Conversion option at beginning of the period	**74,646**	31,439
Fair value adjustment	**(28,380)**	43,207
Total	**$ 46,266**	$74,646

7 TRADE AND OTHER RECEIVABLES

	March 31, 2021	December 31, 2020
VAT receivable (i)	**82,430**	28,274
Receivables for gold sales	**3,193**	4,641
Other receivables (ii)	**24,777**	19,897
Total	**$110,400**	$52,812

i. VAT receivable

VAT receivable relates to net VAT amounts paid to vendors for goods and services purchased, primarily in Côte d'Ivoire and Burkina Faso. These balances are expected to be collected in the next twelve months. In the three months ended March 31, 2021, the Company collected $10.6 million of outstanding VAT receivables, through the sale of its VAT receivables to third parties or reimbursement from the tax authorities.

ii. Other receivables

Other receivables at March 31, 2021 include a receivable of $5.9 million (December 31, 2020, $nil) from Allied related to the sale of the Agbaou mine, and a receivable of $14.6 million (December 31, 2020, $14.6 million) from two third parties for which the Company had entered into contracts which was previously advanced for working capital purposes. All these amounts are non-interest bearing and are expected to be repaid in the next twelve months.

8 INVENTORIES

	Note	March 31, 2021	December 31, 2020
Doré bars		**39,543**	24,965
Gold in circuit		**36,837**	34,043
Ore stockpiles		**250,275**	123,979
Spare parts and supplies		**161,695**	84,040
Total		**$ 488,350**	$267,027
Non-current stockpiles	12	**(133,284)**	(77,010)
Inventories, current		**$ 355,066**	$190,017

As of March 31, 2021, there was a provision of $20.4 million to adjust inventory to net realizable value at Karma of which $20.2 million relates to gold in circuit ("GIC") and $0.2 million relates to finished goods (December 31, 2020—$19.4 million with respect to GIC and $0.4 million related to finished goods).

The cost of inventories recognized as expense in the period ended March 31, 2021 was $373.7 million and was included in operating expenses (period ended March 31, 2020—$139.0 million).

9 PREPAID EXPENSES AND OTHER

	March 31, 2021	December 31, 2020
Deposits	**3,948**	3,075
Supplier prepayments	**34,255**	19,572
Other	**3,724**	3,675
Total	**$41,927**	$26,322

10 MINING INTERESTS

	Note	MINING INTERESTS		Property, plant and equipment	Assets under construction	Total
		Depletable	Non depletable[1]			
Cost						
Balance as at 1 January, 2020		682,792	331,777	1,081,557	21,972	**2,118,098**
Acquired in business combinations		819,912	256,866	242,809	—	**1,319,587**
Additions/expenditures		103,015	67,257	44,569	44,398	**259,239**
Transfers from inventory		—	—	14,940	—	**14,940**
Transfers		40,812	(31,177)	26,082	(35,717)	**—**
Change in estimate of environmental rehabilitation provision		16,492	—	—	—	**16,492**
Transfer to assets held for sale		(149,896)	—	(173,378)	—	**(323,274)**
Disposals		(342)	—	(37,857)	—	**(38,199)**
Balance as at December 31, 2020		1,512,785	624,723	1,198,722	30,653	**3,366,883**
Acquired in business combinations	3	2,014,474	152,339	359,622	2,039	**2,528,474**
Additions/expenditures		38,289	38,434	11,353	27,685	**115,761**
Transfers		405	(405)	347	(347)	**—**
Change in estimate of environmental rehabilitation provision		14,685	—	—	—	**14,685**
Disposals		—	—	(1,173)	—	**(1,173)**
Balance as at March 31, 2021		**$3,580,638**	**$815,091**	**$1,568,871**	**$ 60,030**	**$6,024,630**
Accumulated Depreciation						
Balance as at 1 January, 2020		294,164	—	413,660	—	**707,824**
Depreciation/depletion		161,473	—	134,015	—	**295,488**
Impairment		25,053	19,949	39,445	—	**84,447**
Transfer to assets held for sale		(114,612)	—	(144,635)	—	**(259,247)**
Disposals		(112)	—	(27,615)	—	**(27,727)**
Balance as at December 31, 2020		365,966	19,949	414,870	—	**800,785**
Depreciation/depletion		79,862	—	53,791	—	**133,653**
Disposals		—	—	(748)	—	**(748)**
Balance as at March 31, 2021		**$ 445,828**	**$ 19,949**	**$ 467,913**	**$ —**	**$ 933,690**
Carrying amounts						
At December 31, 2020		$1,146,819	$604,774	$ 783,852	$ 30,653	$2,566,098
At March 31, 2021		**$3,134,810**	**$795,142**	**$1,100,958**	**$ 60,030**	**$5,090,940**

(1) As at March 31, 2021 exploration assets with a net book value of $431.6 million are included in the non-depletable mining interest category.(December 31, 2020—$391.4 million). Additions in the three months ended March 31, 2021 include the acquisition of the Fetekro license to 80% for $19.7 million.

10 MINING INTERESTS (Continued)

The Company's right-of-use assets consist of buildings, plant and equipment and its various segments which are right-of-use assets under IFRS 16, *Leases*. These have been included within the property, plant and equipment category above.

	Plant	Heavy Equipment	Property	Total
Balance as at January 1, 2020	4,209	2,194	1,606	8,009
Acquired in business combinations	7,200	18,842	1,186	27,228
Additions	5,343	6,119	714	12,176
Depreciation for the year	(1,657)	(8,560)	(1,594)	(11,811)
Transferred to assets held for sale	(502)	(307)	—	(809)
Disposals	—	(1,640)	—	(1,640)
Balance as at December 31, 2020	14,593	16,648	1,912	33,153
Acquired in business combinations	—	647	4,990	5,637
Additions	—	—	2,487	2,487
Depreciation for the period	(1,897)	(832)	(571)	(3,300)
Balance as at March 31, 2021	**$12,696**	**$16,463**	**$ 8,818**	**$ 37,977**

11 OTHER FINANCIAL ASSETS

Other financial assets are comprised of:

	Note	March 31, 2021	December 31, 2020
Restricted cash		**34,973**	24,398
Long-term receivable (i)	3	**6,053**	—
Other financial assets (ii)	3	**41,907**	804
Total		**$82,933**	$25,202

(i) Long-term receivable

Included in long-term receivable is the fair value related to the contingent consideration as well as the NSR receivable from Allied for the sale of the Agbaou mine.

(ii) Other financial assets

Other financial assets include the shares of Allied received as consideration upon the sale of the Agbaou mine.

12 OTHER LONG-TERM ASSETS

Other assets are comprised of:

	March 31, 2021	December 31, 2020
Long-term stockpiles	**133,284**	77,010
Total	**$133,284**	$77,010

13 TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	March 31, 2021	December 31, 2020
Trade accounts payable	**274,415**	206,863
Royalties payable	**39,564**	14,516
Payroll and social charges	**25,716**	26,957
Amounts payable to the government of Senegal (i)	**10,120**	—
Other payables	**13,487**	21,395
Total current trade and other payables	**$363,302**	$269,731
Amounts payable to the government of Senegal (i)	**8,451**	—
Other long term payables	**3,933**	—
Total other long-term liabilities	**$ 12,384**	$ —
Total trade and other payables	**$375,686**	$269,731

i. Amounts payable to the government of Senegal

Reserve payments of $2.3 million, accrued dividends of $7.8 million, and $8.5 million of accrued contributions to social development projects of local authorities hosting Massawa are payable to the government of Senegal as at March 31, 2021.

14 OTHER FINANCIAL LIABILITIES

	Note	March 31, 2021	December 31, 2020
Share warrant liabilities (i)		**18,445**	—
DSU liabilities	4	**2,730**	2,919
Call-Rights (ii)		**11,972**	—
Contingent consideration (iii)		**44,448**	—
Total		**77,595**	2,919
Current portion		**(11,972)**	—
Non-current financial liabilities		**$ 65,623**	$2,919

i. Share warrant liabilities

Upon acquisition of Teranga, all outstanding Teranga share warrants were exchanged for replacement Endeavour warrants at a ratio of 0.47 Endeavour warrants for each Teranga warrant at an adjusted exercise price.

The following share warrants were outstanding as at March 31, 2021:

Grant date	Number	Expiry date	Exercise price (C$)
April 16, 2018	940,000	April 16, 2022	11.11
February 26, 2019	70,500	February 27, 2023	10.81
May 30, 2019	658,000	May 30, 2023	8.15
September 30, 2019	70,500	September 30, 2023	13.81

The currency of the exercise price of the warrants is different from the Company's functional currency and as a result the share warrants have been classified as a derivative financial liability. Changes in fair value of share warrants are recognized in other expenses at the end of each reporting period. Upon exercise, the associated share warrant liability will be reclassified to share capital. Should any of the share warrants expire un-exercised, the associated share warrant liability will be recorded as gains/(losses) on financial instruments in

14 OTHER FINANCIAL LIABILITIES (Continued)

the condensed interim consolidated statement of comprehensive earnings. There is no circumstance under which the Company would be required to pay any cash upon exercise or expiry of the warrants.

A reconciliation of the change in fair value of share warrant liabilities is presented below:

	Number of warrants	Amount
Added upon acquisition of Teranga	1,739,000	22,233
Change in fair value	—	(3,788)
Balance as at March 31, 2021	**1,739,000**	**$18,445**

Fair values of share warrants were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at March 31, 2021	As at February 10, 2021
Valuation date share price	C$ 25.33	C$ 27.06
Weighted average fair value of share warrants	C$14.67	C$16.24
Exercise price	C$8.15–C$13.81	C$8.15–C$13.81
Risk-free interest rate	0.22%–0.36%	0.19%–0.22%
Expected share market volatility	47%–55%	46%–55%
Expected life of share warrants (years)	1.0–2.5	1.2–2.6
Dividend yield	2.5%	2.5%
Number of share warrants exercisable	1,739,000	1,739,000

ii. Call-rights

Upon acquisition of Teranga, the Company acquired all previously issued and outstanding Teranga call-rights and were exchanged for replacement Endeavour call-rights at a ratio of 0.47 Endeavour call-rights for each Teranga call-right at an adjusted exercise price of C$14.90.

The call-rights are required to be settled in cash at the difference between Endeavour's 5-day volume weighted average trading price on each exercise date and the exercise price of C$14.90. The call-rights expire on March 4, 2024. The call-rights were recorded as derivative financial liabilities as their value changes in line with Endeavour's share price. Changes in the fair value of call-rights are recognized as gains/(losses) on financial instruments.

A reconciliation of the change in fair value of the call-rights liability is as follows:

	Number of call-rights	Amount
Added upon acquisition of Teranga	1,880,000	19,321
Change in fair value	—	(7,349)
Balance as at March 31, 2021	**1,880,000**	**$11,972**

14 OTHER FINANCIAL LIABILITIES (Continued)

The fair value of the call-rights were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at March 31, 2021	As at February 10, 2021
Valuation date share price[(i)]	C$ 24.86	C$ 27.93
Fair value per call-right	C$ 10.69	C$ 13.05
Exercise price	C$ 14.89	C$ 14.89
Risk-free interest rate	0.47%	0.24%
Expected share market volatility	45%	45%
Expected life of call-rights (years)	2.9	3.06
Dividend yield	2.5%	2.5%
Number of call-rights exercisable	1,880,000	1,880,000

(i) Represents 5-day volume weighted average trading price of the Company's common shares on the TSX

iii. Contingent consideration

As part of the acquisition of Teranga, Endeavour recognized contingent consideration related to Teranga's acquisition of Massawa (Jersey) Limited. The contingent consideration is linked to future gold prices and is payable to Barrick Gold Corporation ("Barrick") in cash three years following the completion of the Massawa Acquisition by Teranga on March 4, 2020 and is calculated as follows:

- If the average gold price for the three-year period immediately following closing of the Massawa Acquisition (the "three-year average gold price") is equal to or less than $1,450 per ounce, $ nil;
- If the three-year average gold price is greater than $1,450 per ounce and up to, but not more than, $1,500 per ounce, $25.0 million;
- If the three-year average gold price is greater than $1,500 per ounce and up to, but not more than, $1,600 per ounce, $35.0 million; or
- If the three-year average gold price is greater than $1,600 per ounce, $50.0 million.

The Company has classified the contingent consideration payable to Barrick as a derivative financial liability as the amount due is dependent on future gold prices over periods of time in future. As at March 31, 2021, the Company estimated the fair value of the contingent consideration using a Monte Carlo simulation model based on the gold forward curve, expected volatility of 19.16% (February 10, 2021—19.83%), Endeavour's credit spread of 2.45% (February 10, 2021—2.78%) and risk-free rate of 0.29% (February 10, 2021—0.20%).

On the date of acquisition of Teranga, the fair value of the contingent consideration was estimated to be $45.6 million. As at March 31, 2021, the decrease in the non-current liability to $44.4 million resulted in gains/(losses) on financial instruments recognised in the condensed interim consolidated statement of comprehensive earnings of $1.1 million.

iv. Gold revenue protection strategy

In the year ended December 31, 2019, the Company implemented a deferred premium collar strategy ("Collar") using written call options and bought put options for the 12-month period from July 2019 to June 2020. The program covered a total of 360,000 ounces, representing approximately 50% of Endeavour's total estimated gold production for the period, with an average floor price of $1,358 and a ceiling price of $1,500. The Collar was accounted for at FVTPL and the Company realized a loss of $35.9 million over the life of the Collar of which $11.0 million was recognized in the three months ended March 31, 2020.

v. Forward contracts

On March 9, 2020, the Company entered into a gold forward contract to manage the risk of changes in the market price of gold. Under the gold forward contract, the Company bought 73,919 ounces of gold at an

14 OTHER FINANCIAL LIABILITIES (Continued)

average gold prices of $1,590 per ounce. On March 30, 2020, the Company exited the gold forward contract at a final gold price of $1,681 per ounce and recognized a gain of $6.7 million.

15 NON-CONTROLLING INTERESTS

The composition of the non-controlling interests ("NCI") is as follows:

	Ity Mine (15%)	Karma Mine (10%)	Houndé Mine (10%)	Mana Mine (10%)	Boungou Mine (10%)	Sabodala-Massawa Mine (10%)	Wahgnion Mine (10%)	Other[2]	Total (continuing operations)	Agbaou Mine (15%)	Total (all operations)
At December 31, 2019	23,857	14,002	6,814	—	—	—	—	522	**45,195**	53,435	**98,630**
Acquisition of NCI	—	—	—	41,534	58,249	—	—	6,419	**106,202**	—	**106,202**
Net earnings/(loss)	16,017	(4,186)	17,366	6,365	3,280	—	—	—	**38,842**	1,004	**39,846**
Dividend distribution	(659)	—	(1,744)	—	—	—	—	—	**(2,403)**	(52,912)	**(55,315)**
Change in NCI	—	—	—	—	—	—	—	(199)	**(199)**	—	**(199)**
At December 31, 2020	$39,215	$ 9,816	$22,436	$47,899	$61,529	$ —	$ —	$ 6,742	**$187,637**	$ 1,527	**$189,164**
Net earnings/(loss)	7,025	(97)	3,781	1,716	2,274	8,139	1,050	379	**24,267**	1,466	**25,733**
Acquisition of NCI	—	—	—	—	—	133,583	39,000	14,000	**186,583**	—	**186,583**
Disposal of the Agbaou mine[1]	—	—	—	—	—	—	—	—	**—**	(2,993)	**(2,993)**
At March 31, 2021	$46,240	$ 9,719	$26,217	$49,615	$63,803	$141,722	$40,050	$21,121	**$398,487**	$ —	**$398,487**

(1) For further details refer to note 3

(2) Exploration, Corporate and Kalana segments are included in the "other" category.

For summarized information related to these subsidiaries, refer to Note 17, Segmented Information.

16 SUPPLEMENTARY CASH FLOW INFORMATION

The table below details changes in the Company's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's consolidated statement of cash flows as cash flows from financing activities.

16 SUPPLEMENTARY CASH FLOW INFORMATION (Continued)

	Long-term debt					Lease obligations	
	RCF	Other loan facilities	Accrued interest[1]	Gold offtake liability	Convertible senior notes	Financing arrangements	Lease liabilities
At January 1, 2021	301,695	—	913	—	386,571	—	37,205
Added upon acquisition of Teranga	—	343,068	—	49,735	—	8,914	5,637
Changes from financing cash flows							
Debt issued	490,000	—	—	—	—	—	—
Repayments	(100,000)	(343,042)	—	(49,735)	—	(8,914)	(1,869)
Interest paid	—	—	(3,279)	—	(4,950)	—	(1,064)
Payment of deferred financing costs and other	(6,699)	(26)	(363)	—	—	—	—
Other changes							
Interest expense	—	—	4,200	—	4,829	—	2,428
New leases	—	—	—		—	—	2,487
Amortization of deferred financing costs and other fees	1,740	—	—	—	—	—	—
Change in fair value of conversion option	—	—	—	—	(28,380)	—	—
Foreign exchange and other	—	—	349	—	—	—	(1,223)
At March 31, 2021	**$ 686,736**	**$ —**	**$ 1,820**	**$ —**	**$358,070**	**$ —**	**$43,601**
Current portion	$ —	$ —	$ 1,820	$ —	$ —	$ —	$15,796
Long-term portion	$ 686,736	$ —	$ —	$ —	$358,070	$ —	$27,805

(1) Included in note 13: Trade and other payables

16 SUPPLEMENTARY CASH FLOW INFORMATION (Continued)

	Long-term debt			Finance and lease obligations	
	RCF	Accrued interest[1]	Convertible senior notes	Financing arrangements	Lease liabilities
At January 1, 2020	304,941	2,729	334,039	78,081	8,753
Changes from financing cash flows					
Debt issued	120,000	—	—	—	—
Repayments	—	—	—	(8,706)	(746)
Interest paid	—	(4,096)	(4,950)	(1,183)	(378)
Payment of deferred financing costs and other	—	(347)	—	—	—
Other changes					
Interest expense	—	4,007	4,735	1,805	138
Amortization of deferred financing costs and other fees	738	—	—	—	—
Change in fair value of conversion option	—	—	(2,682)	—	—
Foreign exchange and other	—	322	—	—	(598)
At March 31, 2020	**$425,679**	**$ 2,615**	**$331,142**	**$69,997**	**$7,169**
Current portion	$ —	$ —	$ —	$25,016	$3,646
Long-term portion	$425,679	$ 2,615	$331,142	$44,981	$3,523

(1) Included in note 13: Trade and other payables

17 SEGMENTED INFORMATION

The Company operates in four principal countries, Burkina Faso (Karma, Houndé, Wahgnion, Mana and Boungou mines), Côte d'Ivoire (Ity mine), Senegal (Sabodala-Massawa mine) and Mali (Kalana Project). The following table provides the Company's results by operating segment in the way information is provided to and used by the Company's chief operating decision maker, which is the CEO, to make decisions about the allocation of resources to the segments and assess their performance. The Company considers each of its operational mines a separate segment. Discontinued operations are not included in the segmented information below. Exploration and Corporate entities do not generate any revenue and are aggregated and presented together as part of the "other" segment on the basis of them sharing similar economic characteristics.

	THREE MONTHS ENDED MARCH 31, 2021								
	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Sabodala Massawa Mine	Wahgnion Mine	Other	Total
Revenue									
Gold revenue	132,156	34,800	118,521	107,614	102,477	87,569	52,655	—	**635,792**
Cost of sales									
Operating expenses	(46,084)	(22,867)	(40,495)	(46,764)	(31,518)	(37,144)	(26,240)	—	**(251,112)**
Depreciation and depletion	(14,336)	(14,494)	(16,345)	(24,616)	(27,659)	(13,279)	(8,925)	(2,957)	**(122,611)**
Royalties	(7,189)	(3,305)	(11,012)	(8,170)	(6,195)	(4,941)	(3,554)	—	**(44,366)**
Earnings/(Loss) from continuing mine operations	**$ 64,547**	**$ (5,866)**	**$ 50,669**	**$ 28,064**	**$ 37,105**	**$ 32,205**	**$ 13,936**	**$(2,957)**	**$ 217,703**

17 SEGMENTED INFORMATION (Continued)

	THREE MONTHS ENDED MARCH 31, 2020				
	Ity Mine	Karma Mine	Houndé Mine	Other	Total
Revenue					
Gold revenue	100,723	36,762	88,836	—	**226,321**
Cost of sales					
Operating expenses	(35,230)	(18,759)	(42,103)	—	**(96,092)**
Depreciation and depletion	(10,679)	(13,668)	(16,403)	(2,178)	**(42,928)**
Royalties	(4,763)	(3,251)	(7,105)	—	**(15,119)**
Earnings/(Loss) from continuing mine operations	**$ 50,051**	**$ 1,084**	**$ 23,225**	**$ (2,178)**	**$ 72,182**

Segment revenue reported represents revenue generated from external customers. There were no inter-segment sales during the periods ended March 31, 2021 or March 31, 2020. The Company is not economically dependent on a limited number of customers for the sale of gold because gold can be sold through numerous commodity market traders worldwide.

The Company's assets and liabilities, including geographic location of those assets and liabilities, are detailed below:

	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houndé Mine Burkina Faso	Mana Mine Burkina Faso	Boungou Mine Burkina Faso	Sabodala Massawa Mine Senegal	Wahgnion Mine Burkina Faso	Other	Total
Balances as at March 31, 2021									
Current assets	132,816	48,636	114,571	228,490	173,553	195,447	106,450	375,625	**1,375,588**
Mining interests	442,623	61,127	461,830	498,623	638,108	1,889,734	645,861	453,034	**5,090,940**
Other long-term assets	62,127	12,879	30,679	25,897	37,330	238,924	29,941	80,994	**518,771**
Total assets	**$637,566**	**$122,642**	**$607,080**	**$753,010**	**$848,991**	**$2,324,105**	**$782,252**	**$ 909,653**	**$6,985,299**
Current liabilities	107,145	26,470	75,279	94,571	91,641	126,069	47,559	114,565	**683,299**
Other long-term liabilities	17,515	13,187	49,351	75,703	173,139	332,000	62,256	1,172,681	**1,895,832**
Total liabilities	**$124,660**	**$ 39,657**	**$124,630**	**$170,274**	**$264,780**	**$ 458,069**	**$109,815**	**$1,287,246**	**$2,579,131**
For the period ended March 31, 2021									
Capital expenditures	17,285	1,149	12,986	27,381	8,886	14,086	4,742	29,246	**115,761**

	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houndé Mine Burkina Faso	Mana Mine Burkina Faso	Boungou Mine Burkina Faso	Other	Total[(1)]
Balances as at December 31, 2020							
Current assets	87,618	50,585	152,761	200,245	113,529	308,605	**913,343**
Mining interests	441,549	70,564	467,719	487,306	647,064	451,896	**2,566,098**
Other long-term assets	65,449	12,971	28,352	25,453	38,001	51,242	**221,468**
Total assets	**$594,616**	**$134,120**	**$648,832**	**$713,004**	**$798,594**	**$811,743**	**$3,700,909**
Current liabilities	110,613	28,791	80,666	82,149	74,167	57,465	**433,851**
Other long-term liabilities	17,364	13,862	49,367	74,056	175,832	758,409	**1,088,890**
Total liabilities	**$127,977**	**$ 42,653**	**$130,033**	**$156,205**	**$249,999**	**$815,874**	**$1,522,741**
For the period ended March 31, 2020							
Capital expenditures	17,570	2,713	19,635	—	—	8,464	**48,382**

(1) Totals are excluding assets and liabilities classified as held for sale as at December 31, 2020.

18 CAPITAL MANAGEMENT

The Company's objectives of capital management are to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue the development and exploration of its mining interests and support any expansionary plans.

In the management of capital, the Company includes the components of equity, finance obligations, derivatives and long-term debt, net of cash and cash equivalents, restricted cash and marketable securities.

Capital, as defined above, is summarized in the following table:

	March 31, 2021	December 31, 2020
Equity	**4,406,168**	2,246,180
Long-term debt	**1,044,806**	688,266
Finance and lease obligations	**43,601**	37,205
Derivative financial liabilities	**11,972**	—
	5,506,547	2,971,651
Less:		
Cash and cash equivalents	**(868,195)**	(644,970)
Cash—restricted	**(34,973)**	(24,398)
Marketable securities	**(2,439)**	(778)
Total	**$4,600,940**	$2,301,505

The Company manages its capital structure and adjusts it considering changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives.

The Company is not subject to any externally imposed capital requirements with the exception of complying with covenants under the RCF and Bridge Facility. As at March 31, 2021 and December 31, 2020, the Company was in compliance with these covenants.

19 COMMITMENTS AND CONTINGENCIES

The Company has commitments in place at all seven of its mines and other key projects for drill and blasting services, load and haul services, supply of explosives and supply of hydrocarbon services. At March 31, 2021, the Company has approximately $18.9 million in commitments relating to on-going capital projects at its various mines.

The Company is, from time to time, involved in various claims, legal proceedings, tax assessments and complaints arising in the ordinary course of business from third parties. The Company cannot reasonably predict the likelihood or outcome of these actions. The Company does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations. The Company has recognized tax provisions with respect to current assessments received from the tax authorities in the various jurisdictions in which the Company operates, and from uncertain tax positions identified upon the acquisition of SEMAFO and Teranga as well as through review of the Company's historical tax positions. For those amounts recognized related to current tax assessments received, the provision is based on management's best estimate of the outcome of those assessments, based on the validity of the issues in the assessment, management's support for their position, and the expectation with respect to any negotiations to settle the assessment. Management re-evaluates the outstanding tax assessments regularly to update their estimates related to the outcome for those assessments taking into account the criteria above. Management evaluates its uncertain tax positions regularly to update for changes to the tax legislation, the results of any tax audits undertaken, the correction of the uncertain tax position through subsequent tax filings, or the expiry of the period for which the position can be re-assessed. Management considers the material elements of any other claims to be without merit or foundation and will strongly defend its position in relation to these matters and

19 COMMITMENTS AND CONTINGENCIES (Continued)

following the appropriate process to support its position. Accordingly, no provision or further disclosure has been made as the likelihood of a material outflow of economic benefits in respect of such claims is considered remote. In forming this assessment, management has considered the professional advice received, the mining conventions and tax laws in place in the various jurisdictions, and the facts and circumstances of each individual claim.

The Company has received a notice of claim from a former service provider. The Company is taking legal advice on the merits of the claim and the probable outcome but intends to vigorously defend against the claims. The Company does not believe that the outcome of the claim will have a material impact to the Company's financial position.

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company assumed a gold stream when it acquired the Karma Mine on April 26, 2016 ("Karma stream"), and when it acquired the Sabodala-Massawa mine on February 10, 2021 ("Sabodala stream").

- Under the Karma stream, the Company is obligated to deliver 100,000 ounces of gold (20,000 ounces per year) to Franco-Nevada Company and Sandstorm Gold Inc. (the "Syndicate") over a five-year period, which commenced on March 31, 2016, in exchange for 20% of the spot price of gold for each ounce of gold delivered (the "ongoing payment"). The amount that was previously advanced for this agreement of $100.0 million is reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment. Following the five-year period, the Company is committed to deliver refined gold equal to 6.5% of the gold production at the Karma Mine for the life of the mine in exchange for ongoing payments. The Company delivered an additional 7,500 ounces between July 2017 and April 2019 in exchange for an additional deposit of $5.0 million received in 2017. Gold ounces sold to the Syndicate under the stream agreement are recognized as revenue only on the actual proceeds received, which per the agreement is 20% of the spot gold price. As at March 31, 2021, the Company had completed the delivery of 100,000 ounces of gold and had started delivering 6.5% of gold production at the Karma Mine to the syndicate.
- Under the Sabodala stream, the Company is required to deliver 783 ounces of gold per month beginning September 1, 2020 until 105,750 ounces have been delivered to Franco-Nevada (the "Fixed Delivery Period") based on the Sabodala standalone life of mine plan prior to the Massawa Acquisition by Teranga on March 4, 2020. At the end of the Fixed Delivery Period, any difference between total gold ounces delivered during the Fixed Delivery Period and 6 percent of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6 percent of production from the Company's existing properties in Senegal (excluding Massawa). For ounces of gold delivered to Franco-Nevada under the Stream Agreement, Franco-Nevada pays the Company cash at the date of delivery for the equivalent of the prevailing spot price of gold for on 20 percent of the ounces delivered. Revenue is recognized on actual proceeds received. The Company delivered 1,567 ounces during the period ended March 31, 2021 after its acquisition of Teranga and as at March 31, 2021, 99,139 ounces is still to be delivered under the Fixed Delivery Period.

20 SUBSEQUENT EVENTS

Share buy back program

On March 22, 2021, the Company commenced a normal course issuer bid for its share repurchase program under which the Company is able to acquire up to 12.2 million of its outstanding ordinary shares, which represents up to 5% of the total issued and outstanding ordinary shares as of March 16, 2021. Subsequent to March 31, 2021 and up to June 8, 2021, the Company has repurchased a total of 2.2 million shares at an average price of C$28.53, for total cash outflows of $52.7 million (C$64.1 million).

PART 14

HISTORICAL FINANCIAL INFORMATION OF SEMAFO

Section A—Accountants' report on the Historical Financial Information of SEMAFO



BDO LLP
55 Baker Street
London
W1U 7EU

9 June 2021

The Directors
Endeavour Mining plc
5 Young Street
London
W8 5EH

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Dear Sir or Madam

Semafo Inc. and its subsidiary undertakings (together, the "Semafo Group")

Introduction

We report on the financial information set out in Section B of this Part 14 of the prospectus dated 9 June 2021 of Endeavour Mining plc (the "Company") (the "Prospectus").

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Semafo Group as at 31 December 2018, 31 December 2019 and at 30 June 2020 and of its results, cash flows and changes in equity for the two years and six months ended 30 June 2020 in accordance with International Accounting Standards as adopted by the United Kingdom.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the United Kingdom.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 of the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Delegated Regulation**"), consenting to its inclusion in the Prospectus.

Basis of preparation

This financial information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 3 to the financial information. This report is required by item 18.3.1 of Annex 1 of the Prospectus Delegated Regulation and is given for the purpose of complying with that item and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and the Semafo Group in accordance with the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of the Semafo Group to continue as a going concern for a period of at least twelve months from the date of the Prospectus. Accordingly the use by the directors of the Company of the going concern basis of accounting in the preparation of the financial information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 of the Prospectus Delegated Regulation.

Yours faithfully

BDO LLP
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Section B—Historical Financial Information of SEMAFO

Consolidated Statement of Financial Position

(Expressed in thousands of US dollars)

	As at December 31, 2018	As at December 31, 2019	As at June 30 2020
	$	$ (note 4)	$
Assets			
Current			
Cash and cash equivalents (note 6)	96,519	98,297	93,395
Restricted cash (note 6)	—	—	24,016
Trade and other receivables (note 7)	29,354	50,291	43,269
Inventories (note 8)	89,278	117,706	107,053
Income tax receivable (note 17)	5,404	—	—
Prepaid expenses and other	5,458	5,464	6,059
	226,013	271,758	273,792
Non-current			
Mining interest (note 10)	861,159	898,756	889,240
Other assets (note 11)	27,457	11,385	13,073
Other financial assets (note 12)	2,622	3,698	1,595
	891,238	913,839	903,908
Total assets	1,117,251	1,185,597	1,177,700
Liabilities			
Current			
Trade and other payables (note 13)	70,268	73,931	100,760
Income taxes payable (note 17)	—	371	5,454
Current portion of long-term debt (note 14)	60,181	59,275	29,758
Current portion of finance and lease obligations (note 15)	7,820	13,073	11,044
	138,269	146,650	147,016
Non-current			
Long-term debt (note 14)	57,388	—	—
Finance and lease obligations (note 15)	20,144	15,244	12,753
Other liabilities (note 16)	33,078	34,905	32,725
Deferred tax liabilities (note 17)	55,147	92,452	97,721
Total liabilities	304,026	289,251	290,215
Equity			
Shareholders of the Corporation			
Share capital (note 18)	623,604	647,251	647,251
Equity reserve	6,771	6,105	6,105
Accumulated other comprehensive income	(18,909)	(17,351)	(18,867)
Retained earnings	167,644	207,842	203,877
	779,110	843,847	838,366
Non-controlling interests (note 23)	34,115	52,499	49,119
Total equity	813,225	896,346	887,485
Total liabilities and equity	1,117,251	1,185,597	1,177,700

The accompanying notes are an integral part of the Historical Financial Information.

Consolidated Statement of Income (Loss)

For the six-month period ended June 30, 2020

(Expressed in thousands of US dollars)—except per share amounts

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Revenue	296,679	475,750	239,072
Cost of sales			
Operating expenses	155,293	152,225	124,617
Depreciation and depletion	78,729	152,008	36,288
Royalties	13,393	25,484	12,968
Earnings from mine operations	49,264	146,033	65,199
Corporate costs	13,416	13,578	6,588
Share-based compensation (Note 21)	1,303	2,592	21,121
Exploration costs	10,433	16,707	2,255
Acquisition and restructuring expenses (Note 1)	—	—	15,970
Impairment of property, plant and equipment (Note 10)	—	9,259	—
Earnings from operations	24,112	103,897	19,265
Other expenses / (income)			
(Gain)/loss on financial instruments	1,147	564	(369)
Finance costs (Note 22)	5,318	10,051	4,714
Other income	(2,283)	(2,233)	(793)
Earnings before taxes	19,930	95,515	15,713
Income tax expense			
Current income tax (Note 17)	2,136	7,966	11,196
Deferred income tax expense (Note 17)	14,396	38,310	5,014
Net income (loss) for the period	3,398	49,239	(497)
Net income (loss) for the period attributable to:			
Equity shareholders	365	37,474	(3,965)
Non-controlling interests (Note 23)	3,033	11,765	3,468
	3,398	49,239	(497)
Earnings (Loss) per share (Note 24)			
Basic	—	0.11	(0.01)
Diluted	—	0.11	(0.01)

The accompanying notes are an integral part of the Historical Financial Information.

Consolidated Statements of Comprehensive Income (Loss)

For the six-month period ended June 30, 2020

(Expressed in thousands of US dollars)

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Net income (loss) for the period	3,398	49,239	(497)
Other comprehensive income (loss)			
Item that will not be reclassified to profit or loss			
Changes in fair value of equity investments at FVOCI (net of tax of nil)	(1,467)	3,240	(1,682)
Gain on disposal of equity investment	—	12	166
Total other comprehensive income (loss)	(1,467)	3,252	(1,516)
Comprehensive income (loss) for the period, net of tax	1,931	52,491	(2,013)
Attributable to:			
Shareholders of the Corporation	(1,102)	40,726	(5,481)
Non-controlling interests (note 23)	3,033	11,765	3,468
	1,931	52,491	(2,013)

The accompanying notes are an integral part of the Historical Financial Information.

Consolidated Statements of Changes in Equity
For the six-month period ended June 30, 2020
(Expressed in thousands of US dollars, except per share amounts)

	Attributable to shareholders of the Corporation							
	Share capital							
	Common shares	Amount	Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings	Total	Non-controlling interests	TOTAL EQUITY
	(in thousands)	$	$	$	$	$	$	$
Balance—January 1, 2018	324,982	622,294	7,220	(17,344)	161,672	773,842	31,082	804,924
Net income for the year	—	—	—	—	365	365	3,033	3,398
Other comprehensive income for the year								
Changes in fair value of equity investments at FVOCI (net of tax of nil)	—	—	—	(1,467)	—	(1,467)	—	(1,467)
Comprehensive (loss) income for the year, net of tax	**—**	**—**	**—**	**(1,467)**	**365**	**(1,102)**	**3,033**	**1,931**
Shares issued from the exercise of options (Note 18)	635	1,310	(449)	—	—	861	—	861
Reclassification of AOCI to retained earnings on the sale of equity investment	—	—	—	(98)	98	—	—	—
Balance—December 31, 2018	**325,617**	**623,604**	**6,771**	**(18,909)**	**162,135**	**773,601**	**34,115**	**807,716**
Net income for the year	—	—	—	—	37,474	37,474	11,765	49,239
Other comprehensive income for the period								
Changes in fair value of equity investments at FVOCI (net of tax of nil)	—	—	—	3,252	—	3,252	—	3,252
Comprehensive income for the period, net of tax	**—**	**—**	**—**	**3,252**	**37,474**	**40,726**	**11,765**	**52,491**
Shares issued from the exercise of options	1,552	4,305	(2,023)	—	—	2,282	—	2,282
Reclassification of AOCI balance related to equity investments at FVOCI of Savary Gold Corporation to retained earnings (notes 9 and 20)	—	—	—	(1,694)	1,694	—	—	—
Acquisition of Savary Gold Corporation (note 9)	7,299	19,342	1,357	—	—	20,699	7,649	28,348
Change in the non-controlling interest of Savary Gold Corporation	—	—	—	—	1,030	1,030	(1,030)	—
Balance—December 31, 2019	**334,468**	**647,251**	**6,105**	**(17,351)**	**202,333**	**838,338**	**52,499**	**890,837**
Net (loss) income for the year	—	—	—	—	(3,965)	(3,965)	3,468	(497)
Other comprehensive loss for the period								
Changes in fair value of equity investments at FVOCI (net of tax of nil)	—	—	—	(1,516)	—	(1,516)	—	(1,516)
Comprehensive loss for the period, net of tax	**—**	**—**	**—**	**(1,516)**	**(3,965)**	**(5,481)**	**3,468**	**(2,013)**
Dividend declared by a subsidiary to non-controlling interest	—	—	—	—	—	—	(6,848)	(6,848)
Balance—June 30, 2020	**334,468**	**647,251**	**6,105**	**(18,867)**	**198,368**	**832,857**	**49,119**	**881,976**

The accompanying notes are an integral part of the Historical Financial Information.

Consolidated Statements of Cash Flows

For the six-month period ended June 30, 2020

(Expressed in thousands of US dollars, except per share amounts)

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Operating Activities			
Earnings before taxes	19,930	95,515	15,713
Adjustments for:			
Depreciation and depletion	78,729	152,008	36,288
Finance costs (Note 22)	5,318	10,051	4,714
Share-based compensation (Note 21)	1,303	2,592	21,121
Impairment of property, plant and equipment (Note 10)	—	9,259	—
(Gain) / loss on financial instruments	1,147	564	(369)
Cash paid on settlement of share appreciation rights, DSUs, and PSUs	(5,271)	(2,194)	(1,680)
Income taxes paid	(5,127)	(1,385)	(5,292)
Others	(240)	(183)	(72)
Realized foreign exchange	3,307	1,343	(298)
Operating cash flows before changes in working capital	99,096	267,570	70,125
Trade and other receivables	(5,737)	(19,783)	7,430
Inventories	(2,037)	(29,751)	17,514
Prepaid expenses and other	(1,324)	(1)	(595)
Trade and other payables	21,981	6,900	12,759
Cash generated from operating activities	111,979	224,935	107,233
Investing Activities			
Expenditures on mining interests	(198,740)	(160,042)	(47,091)
Net cash received on acquisition of Savary Gold Corporation (note 9)	—	232	—
Changes in long-term assets	—	208	422
Proceeds received from the sale of other non-current financial assets	(1,740)	(1,449)	587
Change in restricted cash	(2,491)	15,212	(26,155)
Cash used in investing activities	(202,971)	(145,839)	(72,237)
Financing Activities			
Proceeds on issuance of share capital, net of expenses (Note 18)	861	2,282	—
Payment of financing fees and other (Note 22)	(741)	(1,685)	(1,553)
Interest paid (Note 22)	(3,314)	(6,220)	(2,192)
Repayment of long-term debt (Note 14)	—	(60,000)	(30,000)
Repayment of equipment financing (Note 14)	(310)	(181)	—
Repayment of finance and lease obligation (Note 16)	(5,485)	(10,958)	(6,314)
Cash used in financing activities	(8,989)	(76,762)	(40,059)
Effect on exchange rate changes on cash	(2,450)	(556)	161
(Decrease)/increase in cash and cash equivalents	(102,431)	1,778	(4,902)
Cash and cash equivalents, beginning of the period	198,950	96,519	98,297
Cash and cash equivalents, end of the period	96,519	98,297	93,395

The accompanying notes are an integral part of the Historical Financial Information.

Notes to the Historical Financial Information
(Expressed in US dollars except where otherwise indicated—amounts in tables are presented in thousands of US dollars)

1. Incorporation and Nature of Activities of the Corporation

SEMAFO Inc. (the "Corporation") is governed by the *Business Corporations Act* (Quebec) and was listed on the Toronto Stock Exchange ("TSX") and on the NASDAQ OMX Stockholm Exchange. The Corporation's headquarters are located at 1000 De la Gauchetière O street, Office 2500, Montreal, Quebec, Canada, H3B 0A2.

The Corporation's subsidiaries are engaged in gold mining activities including exploration, development and operations. These activities are conducted in West Africa. The Corporation operates two mines, the Boungou and Mana Mines in Burkina Faso. SEMAFO is committed to building value through responsible mining of its quality assets and leveraging its development pipeline. The Corporation's subsidiaries have interests in mining properties. The potential for recovery of costs incurred on these properties and of related deferred charges depends on the existence of sufficient quantities of reserves, the ability to obtain and maintain all required permits, the ability to obtain appropriate financing to put these mining properties into production and the ability to realize a profitable return for the Corporation.

On July 1, 2020, pursuant to a court-approved plan of arrangement (the "Arrangement"), the Corporation was acquired by Endeavour Mining Corporation ("Endeavour"). In accordance with the Arrangement, shareholders of SEMAFO received 0.1422 of an Endeavour ordinary share for each SEMAFO common share held. As a result of the Arrangement, SEMAFO has become a wholly-owned subsidiary of Endeavour and the common shares of SEMAFO were delisted from the TSX on July 6, 2020, and SEMAFO ceased to be a reporting issuer (or equivalent thereof) in all applicable Canadian jurisdictions. In the six-month period ended June 30, 2020, SEMAFO incurred $15,970,000 of acquisition and restructuring related costs. Also, in accordance with the terms of the Arrangement, all outstanding RSU's, PSU's and DSU's vested upon closing and were paid out in cash after closing, the amount to be paid was included in restricted cash at June 30, 2020.

2. Basis of Preparation

The Corporation's historical financial information are for the group consisting of SEMAFO Inc. and its subsidiaries. This historical financial information have been prepared in accordance with UK adopted international accounting standards ("UK-IFRS").

The Corporation has consistently applied the accounting policies used in the preparation of its historical financial information, including the comparative figures, except for the adoption of new standards as further described below.

Basis of Measurement

The historical financial information has been prepared on the historical cost basis, except for the revaluation of certain financial assets and financial liabilities to fair value, including equity investments.

Significant Subsidiaries—Ownership

	Country	December 31, 2018	December 31, 2019	June 30, 2020
SEMAFO Boungou S.A	Burkina Faso	90%	90%	90%
SEMAFO Burkina Faso S.A	Burkina Faso	90%	90%	90%
Birimian Resources S.A.R.L	Burkina Faso	100%	100%	100%
Mana Minéral S.A.R.L	Burkina Faso	100%	100%	100%
SEMAFO (Barbados) Ltd	Barbados	100%	100%	100%
Joint Venture BF1 Inc. (''Savary Gold Corporation")	British Virgin Island	—	80%	81%

3. Summary of Significant Accounting Policies

Consolidation

Subsidiaries are all entities (including structured entities) over which the Corporation has control. The Corporation controls an entity when the Corporation is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Corporation. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between the Corporation's subsidiaries are eliminated. Unrealized gains or losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Corporation's accounting policies.

When the Corporation ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Corporation had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in OCI are reclassified to profit or loss.

Foreign Currency Translation

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The functional currency of all entities within the group is the United States dollar, which is also the Company's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. At each statement of financial position date, foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Business Combinations

A business combination is defined as an acquisition of assets and liabilities that constitute a business and is accounted for using the acquisition method. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return to the Corporation and its shareholders in the form of dividends, lower costs or other economic benefits. A business consists of inputs, including non-current assets, and processes, including operational processes, that when applied to those inputs, have the ability to create outputs that provide a return to the Corporation and its shareholders. A business also includes those assets and liabilities that do not necessarily have all the inputs and processes required to produce outputs but can be integrated with the inputs and processes of the Corporation to create outputs. When acquiring a set of activities or assets in the exploration and development stage, which may not have outputs, the Corporation considers other factors to determine whether the set of activities or assets is a business. Acquisitions of assets and assumption of liabilities that do not qualify as a business are accounted for as asset acquisitions.

The value assigned to the assets acquired and liabilities assumed in asset acquisitions are based upon the relative fair value of consideration given at the date of acquisition. Directly attributable transaction costs are capitalized on the consolidated statement of financial position.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Corporation will reports provisional amounts for the items for which the accounting is incomplete. During this measurement period, if necessary, the Corporation will retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the

3. Summary of Significant Accounting Policies (Continued)

measurement of the amounts recognized as of that date. During the measurement period, the Corporation will also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Corporation receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable and shall not exceed one year from the acquisition date.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values at the acquisition date, the day on which the Company obtains control, of the assets transferred to the Company, the liabilities assumed by the Company to former owners of the acquiree and the equity interests issued by the Company in exchange for control over the acquiree. The Company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except as follows:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with International Accounting Standards ("IAS") 12 Income Taxes and IAS 19 Employee Benefits, respectively.
- Assets or disposal groups that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Liabilities or equity instruments related to share-based remuneration of the acquiree or share-based remuneration of the Company entered into to replace such arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the Corporation's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction by transaction basis. All other components of non-controlling interests are measured at acquisition date fair values or, when applicable on the basis specified in another IFRS.

In cases where the sum of the consideration transferred, the amount of non-controlling interest in the acquiree and the fair value of equity interests in the acquiree held previously by the Company exceeds the net value of identifiable assets and liabilities at the acquisition date, goodwill is measured at the excess amount. A gain is recorded through the consolidated statements of income (loss) if the cost of the acquisition is less than the fair values of the identifiable net assets acquired.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a remaining maturity of 90 days or less at the date of acquisition or that can be redeemed at any time without penalties. Where applicable, bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

Restricted cash consists of cash which are subject to legal or contractual restrictions on their use by the Company or its subsidiaries.

Inventories

Gold bullion, gold in circuit and ore in stockpiles are physically measured or estimated and valued at the lower of cost and net realizable value.

3. Summary of Significant Accounting Policies (Continued)

Cost represents the weighted average cost and includes direct costs and an appropriate portion of overhead costs, depreciation and amortization on property, plant and equipment used in the production process and depreciation.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion, if any, and applicable costs to sell.

Materials and supplies are valued at the lower of cost and net realizable value. Any provision for obsolescence is determined by reference to specific inventory items identified. A regular and ongoing review is undertaken to establish the extent of surplus items and a provision is made for any potential loss upon disposal. Any write-down of inventories to net realizable value or reversals of previous write-downs are recognized in the historical financial information in the period that the write-down or reversal occurs.

Mining Interests

Exploration and evaluation expenditures in relation to general exploration, incurred on sites without an existing mine, or on areas outside the boundary of a known mineral deposit which contains proven and probable reserves are classified as greenfield exploration expenditures and are expensed in the period incurred. Exploration and evaluation expenditures incurred to define and delineate a mineral deposit that has not been classified as proven and probable reserves at a development stage or production stage mine are classified as brownfield activities and are capitalized as part of the carrying amount of the related property in the period incurred, when management determines that there is sufficient evidence that the expenditure will result in a future economic benefit to the Company. Upon the determination of the technical feasibility and commercial viability of a project, further costs to develop the asset are recognized as mine development expenditures. The development phase is determined to have commenced (i.e. the technical feasibility and commercial viability of extracting a mineral resource is considered to have occurred), when proven and probable reserves are determined to exist, the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or alternatively by sale of the property. At this time, capitalized exploration and evaluation assets are tested for impairment and retransferred to mineral properties under development within PPE.

Mine development expenditure assets comprise of costs incurred to secure the mining concession, acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortization of assets related to these activities. General and administrative costs are only included in exploration and evaluation costs where they are related directly to the operational activities in a particular area of interest. Capitalized exploration and evaluation expenditures costs will be amortized using the unit of production method over the estimated recoverable ounces once the asset is in a location and condition necessary for it to be capable of operating in a manner intended by the Company.

Proceeds on the sale of exploration properties are applied to reduce the related carrying costs; any excess is reflected as a gain in the statement of income (loss). Losses on partial sales are recognized and reflected in the statement of income (loss).

Commercial Production

A mine development project is considered to have entered the commercial production stage when the mine development assets are primarily available for use. In determining whether mine development assets are considered available for use, the criteria primarily considered include, but are not limited to, the following:

- completion of a reasonable period of testing of the mine plant and equipment;
- ability to produce gold in saleable form; and
- ability to sustain ongoing production of gold.

When a mine development project moves into the commercial production stage, the capitalization of mine construction costs ceases and subsequent costs incurred are either regarded as inventory or expensed, except for

3. Summary of Significant Accounting Policies (Continued)

capitalizable costs related to mining asset additions or improvements, or mineable reserve development. It is also at this point that depreciation commences.

Stripping costs

Stripping costs incurred in order to provide initial access to the ore body (referred to as "pre-production stripping") are capitalized as mine development costs. The cost of stripping activity in the production phase of surface mining will be recognized as an asset, only if all of the following are met:

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
- the entity can identify the component of the ore body (mining phases) for which access has been improved; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

Once the cost associated with the stripping activity is capitalized as an asset, the cost or revalued amount will be amortized on a units-of-production basis over the reserves of the component of the ore body that directly benefits from the specific stripping activity in the subsequent period.

Plant and Equipment and Assets Under Construction

Items of PPE are carried at historical cost less accumulated depreciation and accumulated impairment losses. Where an item of PPE comprises major components with different useful lives, the components are accounted for as separate items of PPE. Cost includes expenditures that are directly attributable to the acquisition, the development and the construction of the asset, which include cost of materials, direct labour and borrowing costs where appropriate. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost can be measured reliably. Expenditures on major maintenance rebuilds or overhauls are capitalized when it is probable that the expenditure will extend the productive capacity or useful life of an asset.

All other repairs and maintenance are charged to net profit within the statement of comprehensive income (loss) during the financial period in which they are incurred.

Assets under construction and assets purchased that are not ready for use are capitalized under capital work in progress.

The carrying amount of a replaced asset is derecognized when replaced. Gains and losses on disposals of PPE are determined by comparing the proceeds with the carrying amount of the asset.

Depreciation

The depreciable amount of property, plant and equipment is depreciated over their useful lives of the asset commencing from the time the respective asset is ready for use. The Company uses the units-of-production ("UOP") method when depreciating mining assets which results in a depreciation charge based on the contained ounces of gold milled.

The Company uses the straight-line method when depreciating office furniture and equipment, motor vehicles and mobile equipment as follows:

Mobile equipment	3–8 years
Aircrafts	25 years
Office and computer equipment	3–8 years

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

3. Summary of Significant Accounting Policies (Continued)

Impairment of Non-Financial Assets

The Corporation's non-financial assets, such as Mining Interest and exploration properties are reviewed for an indication of impairment at each statement of financial position date and upon the occurrence of events or changes in circumstances indicating that the carrying value of the assets may not be recoverable. If indication of impairment exists, the asset's recoverable amount is estimated. An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit ("CGU"), exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected cash flows of the relevant assets or CGUs). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. These are typically the individual mines. The exploration and evaluation assets located in the same area of interest of an operating mine are grouped with the existing CGUs for the purpose of the impairment test. Impairment losses are recognized in the statement of income (loss) for the year in which they occur. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. However, the impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Leases

The Corporation is a party to lease contracts for, among others:

a) Buildings and equipment related to mining production

- office space
- workshop
- tank

b) Mining equipment

c) Rolling stock, communication and computer equipment.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

Prior to January 1, 2019, leases in which the Corporation assumes substantially all risks and rewards of ownership are classified as finance leases. Assets held under finance leases are recognized as property, plant and equipment at the lower of the fair value and the present value of minimum lease payments at inception of the lease. All other leases are classified as operating leases. Operating lease payments are recognized as an operating cost in profit or loss on a straight-line basis over the lease term.

Policies applies since January 1,2019

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Corporation. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of use asset is depreciated over the lease term on a straight-line basis or over the operating life of the mine based on estimated recoverable ounces of gold (the units of production method).

3. Summary of Significant Accounting Policies (Continued)

Right-of-use assets

The right-of-use assets are initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives;
- any initial direct costs incurred by the Corporation; and
- restoration costs.

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable by the Corporation under residual value guarantees;
- the exercise price of a purchase option if the Corporation is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments are discounted using the Corporation's incremental borrowing rate unless the implicit rate in the lease contract is readily determinable in which case the latter is used.

Extension and termination options are included in a number of the Corporation's property and equipment leases. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Corporation and not by the respective lessor. The lease term determined by the Corporation comprises:

- a non-cancellable period of lease contracts;
- periods covered by an option to extend the lease if the Corporation is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the Corporation is reasonably certain not to exercise that option.

Exemptions

The Corporation elected to apply exemptions for leases for which the underlying asset is of low value or for which the lease term does not exceed 12 months. Payments associated with such leases are recognized on a straight-line basis as an expense in profit or loss.

Income and deferred taxes

Current income tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. Current income tax is calculated on the basis of the law enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries operate and generate taxable income. Current tax assets and current tax liabilities are offset if, and only if, the taxable entity has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. Summary of Significant Accounting Policies (Continued)

The Corporation uses the liability method of accounting for income taxes. Under the liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the historical financial information carrying amounts of existing assets and liabilities and their respective tax bases and for unused tax losses and other income tax deductions. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if:

- the temporary differences from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit;
- the taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; or
- the temporary differences arise from the initial recognition of goodwill.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply if the related assets are realized or the liabilities are settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period in which the change is substantively enacted.

A translation gain or loss may arise for deferred tax purposes where the local tax currency is not the same as the functional currency for certain non-monetary items. A deferred tax asset or liability is recognized on the difference between the carrying amount for accounting purposes (which r7eflects the historical cost in the entity's functional currency) and the underlying tax basis (which reflects the current local tax cost, translated into the functional currency using the current foreign exchange rate). The translation gain or loss is recorded as deferred income tax in the statements of income (loss).

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Financial Instruments

Classification

The Corporation classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Corporation has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (''FVOCI'').

The Corporation reclassifies debt investments when and only when its business model for managing those assets changes.

3. Summary of Significant Accounting Policies (Continued)

Measurement

At initial recognition, the Corporation measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (''FVPL''), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

i) Debt instruments

Subsequent measurement of debt instruments depends on the Corporation's business model for managing the asset and the cash flow characteristics of the asset. There is one measurement category into which the Corporation classifies its debt instruments:

- Amortized cost:

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of income (loss).

ii) Equity instruments

The Corporation subsequently measures all equity investments at fair value. Where the Corporation's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, but instead there is a reclassification within equity from the accumulated OCI to retained earnings. Dividends from such investments continue to be recognized in profit or loss as other income when the Corporation's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of (loss) income as applicable.

Impairment

The Corporation assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Corporation applies the simplified approach permitted by IFRS 9 *Financial Instruments*, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Corporation determines that there is no significant increase in credit risk for instruments that have a low credit risk.

Environmental rehabilitation provisions

Provisions for environmental restoration and legal claims are recognized when the Corporation has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation as per management's best estimate using current market assessments of the time value of money. The increase in the provision due to passage of time is recognized as a finance cost.

3. Summary of Significant Accounting Policies (Continued)

At each reporting date, the liability is increased to reflect the interest element or accretion reflected in its initial measurement and will be adjusted for changes in the estimate of the amount, timing, change in discount rate and cost of the work to be carried out.

Provisions for asset retirement obligations represent the legal and constructive obligations associated with the eventual closure of the Corporation's mining interests. The estimated future obligations include the costs of removing facilities, abandoning sites and restoring the affected areas.

Revenue recognition

Revenue from the sale of gold in bullion and doré bar form is recognized when the Corporation has transferred control of the gold to the customer at an amount reflecting the consideration the Corporation expects to receive in exchange for those products. In determining whether the Corporation has satisfied a performance obligation, it considers the indicators of the transfer of control, which include, but are not limited to, whether: the Corporation has a present right to payment; the customer has legal title to the asset; the Corporation has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the asset. Control is transferred when the Corporation enters into a transaction confirmation for the transfer of gold which is either at date at which the refining process is completed or at the point of the pick-up of the shipment organized by the customer in the metal room of the mines. Revenue is measured at the transaction price agreed under the contracts, and is due immediately upon transfer of the gold to the customer.

Share capital

Common shares are classified as share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

Earnings (loss) per share

Basic earnings or loss per share is determined by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the financial period.

Diluted earnings or loss per share is calculated by dividing the profit or loss attributable to equity holders of the parent by the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into ordinary shares. The dilutive effect of dilutive potential shares is determined using the treasury stock method.

Share-based payment arrangements

The Company has an equity-settled, share-based compensation plan for remuneration of members of the board of directors, management and employees.

Stock options

The Corporation accounts for its share-based compensation options plans using the fair value method. This method consists of recording expenses to income over the vesting period of the options granted and the counterpart is accounted for in contributed surplus on the statement of financial position. The fair value is calculated based on the Black-Scholes option-pricing model. When share options are exercised, any consideration paid, net of directly related transactional costs, is credited to share capital.

At the end of each reporting period, the Corporation revises its estimates of the number of options that are expected to vest. The Corporation recognizes the impact of the revision on the original estimates, if any, in the consolidated statement of income (loss), with a corresponding adjustment to equity.

3. Summary of Significant Accounting Policies (Continued)

Restricted share units (RSU's)

RSUs may be granted to employees, directors, officers and consultants as part of their long-term compensation package entitling them to receive payout in cash based on the Corporation's share price at the relevant time.

Under the Company's RSU plan, each RSU granted has a value equal to the value of one common share.

The corresponding liability is recorded at fair value and is equal to the value of one common share prorated over the vesting period according to the estimate of the number of RSU's that will eventually vest.

The RSU plan also includes a portion of RSUs that vest equally based on the Company's achievement of performance-based criteria over a three-year period.

At each reporting period, the awards are revalued based on the period end share price and the remaining vesting period, with a corresponding charge to share based compensation expense.

RSUs that vest based on the achievement of performance conditions are revalued based on the current best estimate of the outcome of the performance condition at the reporting period.

Deferred share units (DSUs)

The DSU Plan is a non-dilutive long-term incentive plan in which employees, including senior management, directors and any other person designated by the Corporation, can participate.

The DSU Plan is a non-dilutive long-term incentive plan in which employees, including senior management, directors and any other person designated by the Corporation, can participate. DSUs vest immediately at the grant date and are payable in cash. Pursuant to the DSU Plan, after the participant ceases to sit on the Board or be employed or retained by the Corporation, a redemption date is proposed by the participant within the terms of the DSU Plan ("Redemption Date"'). The redemption value of each DSU held by the participant is determined by multiplying the number of DSUs credited to this participant by the average closing prices of the Corporation's common shares in the last five trading days prior to the Redemption Date.

DSUs have a value equal to the market value of one common share at the date of grant, vest immediately at the grant date and are payable in cash.

As these DSUs will be settled in cash, the expense and liability are adjusted at each reporting period for changes in the underlying share price. Variations are recognized in the statement of income (loss) in the period in which they are incurred. DSU liability is classified in current liabilities as DSUs are payable at any time at the Redemption Date.

Performance Share Units ("PSUs")

The PSUs are granted under the RSU Plan. PSUs can be granted to employees, directors, officers and consultants as part of their long-term compensation package, entitling them to receive payout in cash if the vesting conditions are met. For each PSU granted, the corresponding liability is recorded at fair value which is calculated based on a Monte Carlo simulation model. The value of the payout is determined by multiplying the number of PSUs vested at the end of the performance cycle by the average closing price of the Corporation's shares in the last five trading days prior to the end of said performance cycle and is adjusted by a performance payout multiplier between 0% and 150%.

As these PSUs will be settled in cash, and the expense and liability are adjusted at each reporting period for changes in the underlying share price and in weighted average payout based on the Monte Carlo simulation model. Variations are recognized in the statement of income (loss) in the period in which they are incurred.

Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive, as a result of past events for which it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3. Summary of Significant Accounting Policies (Continued)

The amount recognized as a provision is the best estimate of the present value of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in net profit within the statement of comprehensive income (loss) in the period in which they are incurred.

Royalties

Royalties, whether paid to the government of a country in which the Company operates or to third party interests, are based on gold and silver sales and the liability is accrued as revenues are recognized. Royalties are separately reported as expenses and not deducted from revenue.

Non-Controlling interests

Non-controlling interests represent equity interests in subsidiaries owned by outside parties. The share of net assets of subsidiaries attributable to non-controlling interests is presented as a component of equity. Their share of net income and OCI is recognized directly in equity even if the results of the non-controlling interests have a deficit balance.

The Corporation treats transactions with non-controlling interests as equity transactions. Changes in the Corporation's ownership interest in subsidiaries that do not result in loss of control are accounted for as equity transactions.

4. New Accounting Standards Adopted in the Current Period

IFRS 16, *Leases* ("IFRS 16")

On January 1, 2019, the Corporation adopted IFRS 16, which establishes the principles that an entity should use to determine the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 replaces the previous leases standard, IAS 17, *Leases (*"IAS 17"), and related interpretations.

The most significant change of adopting IFRS 16 is the recognition of right-of-use assets and lease liabilities for existing operating leases under IAS 17.

The Corporation has adopted the standard on a retrospective basis with the cumulative effect of initially applying IFRS 16 recorded as of January 1, 2019, with any effect recorded to the retained earnings and no restatement of prior years. Since the Corporation recognized the right-of-use assets at the amount equal to the lease liabilities less any lease accruals, there was no impact on the retained earnings upon adoption. For leases previously classified as finance leases under IAS 17, the right-of-use asset and the lease liability as of January 1, 2019 were determined as the carrying amount of the lease asset and lease liability immediately before that date, measured applying IAS 17.

The adoption of IFRS 16 resulted in the recognition of additional right-of-use assets (within Mining interests) and lease liabilities for operating leases in the amount of $7,371,000 as at January 1, 2019. These liabilities were measured at the present value of the remaining lease payments, discounted using the Corporation's incremental borrowing rate as of January 1, 2019, which was an average rate of 7% or using the implicit rate in the contract.

4. New Accounting Standards Adopted in the Current Period (Continued)

In applying IFRS 16 for the first time, the Corporation has used the following expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases (lease-by-lease basis);
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease; and
- the reliance on its assessment of whether leases are onerous.

The Corporation has elected to recognize the expense of low-value leases on a straight-line basis over the lease term.

The following table provides a reconciliation between operating lease commitments as at December 31, 2018 applying IAS 17 and the lease liabilities recognized as at January 1, 2019, applying IFRS 16:

	$
Operating lease commitments as per IAS 17 as at December 31, 2018	**8,762**
Discounted using the Corporation's incremental borrowing rate of 7% or the rate implicit in the lease contract	(981)
(Less): Transitional practical expedient—the lease term ends within 12 months of the date of initial application	(158)
(Less): low-value leases recognized on a straight-line basis	(252)
Subtotal—Additional lease liability from the initial application of IFRS 16	**7,371**
Add: finance lease liabilities recognized as per IAS 17 as at December 31, 2018 (note 15)	27,964
Lease liability as at January 1, 2019	**35,335**

IFRIC 23, *Uncertainty over Income Tax Treatments* ("IFRIC 23")

The interpretation clarifies application of recognition and measurement requirements in IAS 12 *Income Taxes* when there is uncertainty over income tax treatments. The interpretation specifically addresses the following:

a) Whether an entity considers uncertain tax treatments separately;

b) The assumptions an entity makes about the examination of tax treatments by taxation authorities;

c) How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and

d) How an entity considers changes in facts and circumstances.

The Corporation adopted IFRIC 23 on January 1, 2019 and concluded that there is no impact on its historical financial information upon its adoption.

IAS 23, *Borrowing Costs* ("IAS 23")

On January 1, 2019, the Corporation adopted the amendments to IAS 23, which clarify which borrowing costs are eligible for capitalization in particular circumstances and concluded that there is no impact on its historical financial information upon its adoption.

IFRS 3, *Business Combinations* ("IFRS 3")

On January 1, 2020, the Corporation adopted the amendments to IFRS 3, Business Combinations, which clarify the definition of a business. The amendments help entities determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide

4. New Accounting Standards Adopted in the Current Period (Continued)

goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. The amendments also introduce an optional "concentration test" that can lead to a conclusion that the acquisition is not a business combination.

The Corporation concluded that there is no impact on its his historical financial information upon the adoption of the amendments of IFRS 3.

IAS 1, *Presentation of Financial Statements* ("IAS 1"), and IAS 8, *Accounting Policies, Changes in accounting Estimates and Errors* ("IAS 8")

Definition of Material (Amendments to IAS 1, Presentation of Financial Statements, and to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors) is intended to make the definition of material in IAS 1 easier to understand and is not intended to alter the underlying concept of materiality in IFRS Standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.

IAS 1 and IAS 8 are applicable for annual periods beginning on or after January 1, 2020. The Corporation concluded that there is no impact on its historical financial information upon the amendments of IAS 1 and IAS 8.

5. Critical Accounting Estimates and Judgments

The preparation of the Corporation's historical financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the statement of position and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing material adjustments to the Corporation's historical financial information are addressed below.

Mineral Reserves

The estimation of mineral reserves is a complex process involving variables of very uncertain natures and requiring important and advisable decisions. This process involves variables such as geological data on the structure of each pit, production cost estimates and future gold prices. The mineral reserve estimates are calculated by qualified persons in accordance with the definitions and guidelines adopted by the Canadian Institute of Mining, Metallurgy and Petroleum.

Mineral reserve estimation may vary as a result of changes in the price of gold, production costs, and with additional knowledge of the ore deposits and mining conditions.

The reserve estimates may have a great impact on the information contained in the historical financial information. A number of accounting estimates, as described below, are formulated from the reserve estimates.

Impairment of Non-Financial Assets

Assets are reviewed for an indication of impairment at each consolidated statement of financial position date upon the occurrence of events or changes in circumstances indicating that the carrying value of the assets may not be recoverable and when criteria of assets held for sale are met. This determination requires significant judgment. Factors that could trigger an impairment review include, but are not limited to, significant negative industry or economic trends including the price of gold, and current, historical or projected losses that demonstrate continuing losses, decrease in market capitalization and deferral of capital investments.

The Corporation's recoverable amount measurement with respect to the carrying amount of non-financial assets is based on numerous assumptions and may differ significantly from actual recoverable amount.

5. Critical Accounting Estimates and Judgments (Continued)

The recoverable amount is based, in part, on certain factors that may be partially or totally outside of the Corporation's control. This evaluation involves a comparison of the estimated recoverable amount of non-financial assets to its carrying values. The Corporation's recoverable amount estimates are based on numerous assumptions such as, but not limited to, estimated realized gold prices, operating costs, gold recovery, mineral reserves and resources, capital and site restoration expenditures, potential offers of the mine for sale and estimated future foreign exchange rates, and may differ from actual values. These differences may be significant and could have a material impact on the Corporation's financial position and results of operation. Mineral reserve and resource estimates are the most important variable in the Corporation's recoverable amount estimates. A decrease in the reserves or resources may result in an impairment charge, which could reduce the Corporation's income.

Management's estimates of future cash flows are subject to risk and uncertainties. Therefore, it is reasonably possible that changes could occur with evolving economic conditions, which may affect recoverability of the Corporation's non-financial assets.

For the Corporation's projects that are still in the exploration and evaluation stage, factors which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Corporation has decided to discontinue such activities in the specific area; sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale; significant negative industry or economic trends; interruptions in exploration and evaluation activities; and a significant drop in current or forecasted gold prices.

For the six-month period ended June 30, 2020, the total impairment loss on the exploration and evaluation assets within "Mining Interest" amounted to nil (for the year ended December 31, 2019 and 2018 respectively: $9,259,000 and nil) and was recognized in the consolidated statement of income (loss). Please refer to note 10 of the historical financial information for more details.

Depreciation of Mining Interest

A large portion of the PPE is depreciated using the units of production method over the expected operating life of the mine based on estimated recoverable ounces of gold, which are the prime determinants of the life of a mine. Estimated recoverable ounces of gold include proven and probable reserves and non-reserve material when sufficient objective evidence exists that it is probable the non-reserve material will be produced. Changes in the estimated mineral reserves will result in changes to the depreciation charges over the remaining life of the operation. A decrease in the mineral reserves would increase depreciation expense, and this could have a material impact on the operating results. The amortization base is updated as needed based on the new mineral estimates.

Capitalization of Stripping

Capitalization of stripping requires the Corporation to make judgments and estimates in determining the amounts to be capitalized. These judgments and estimates include and rely on the expected stripping ratio for each separate open pit, the determination of what defines separate pits, and the expected ounces to be extracted from the pit, amongst others.

Value Added Tax ("VAT")

Included in trade and other receivables are, in majority, recoverable VAT balances owing by the fiscal authorities in Burkina Faso. The Corporation is following the relevant process in the country to recoup the VAT balances owing and continues to engage with authorities to estimate if all amounts are recoverable and to accelerate the repayment of the outstanding VAT balances.

5. Critical Accounting Estimates and Judgments (Continued)

Asset Retirement Obligations

Asset retirement obligations arise from the development, construction and normal operation of Mining Interest as mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and expenditures have been made, and will be made in the future, to comply with such changing laws and regulations.

The estimated present value of reclamation liabilities is recorded in the period in which they are incurred. A corresponding increase to the carrying amount of the related asset is recorded and depreciated over the life of the asset. The liability will be increased each period to reflect the interest element or accretion reflected in its initial measurement at fair value and will also be adjusted for changes in the estimate of the amount, in timing, in discount rate and in cost of the work to be carried out.

Future remediation costs are accrued based on management's best estimate at the end of each period of the undiscounted cash costs expected to be incurred at each site. Accounting for reclamation and remediation obligations requires management to make estimates of the future costs that will be incurred to complete the reclamation and remediation work required to comply with existing laws and regulations at each mining operation. The estimates are dependent on labor costs, known environmental impacts, the effectiveness of remedial and restoration measures, inflation rates and pre-tax interest rates that reflect current market assessment for the time value of money and the risks specific to the obligation. Management also estimates the timing of the outlays, which is subject to change depending on continued operations and newly discovered mineral reserves.

Actual costs incurred may differ from those estimated amounts. Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Corporation. Increases in future costs could materially impact the operating results. Asset retirement obligations studies were completed in 2016 and 2017. The financial impact of the studies is described in note 16.

Income Taxes

The Corporation is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain. The Corporation recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Periodically, judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unused tax losses, require management to assess the probability that the Corporation will generate taxable profits in future periods, in order to utilize deferred tax assets. Once the evaluation is completed, if the Corporation believes that it is probable that some portion of deferred tax assets will fail to be realized, deferred tax asset is derecognized. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Corporation to realize the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Corporation operates could limit its ability to obtain tax deductions in future periods.

Management's judgment is required in determining whether a deferred tax liability is recognized on temporary differences arising on investments in subsidiaries. Judgment is necessary in asserting management's intentions about the reinvestment of undistributed profit in the foreseeable future. Estimates on reinvestments are based on forecasts and on estimates of financial requirements of both the Corporation and its subsidiaries. To the extent that future results and financial requirements differ significantly from estimates, the deferred tax liability provided on temporary differences arising from investments in subsidiaries recorded at the reporting date could be impacted.

5. Critical Accounting Estimates and Judgments (Continued)

Uncertain Tax Positions

The estimates relating to the different tax assessments received from the Government of Burkina Faso involve a degree of estimation and judgment with regard to certain items whose tax treatment cannot be finally determined until a resolution of an opposition process has been reached with the relevant taxation authority or, as appropriate, through a formal legal process.

The inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Corporation's financial position, results of operations and cash flows. The financial impact of the estimate is reported in note 17 .

Measurement of Financial Instruments

The fair value of financial instruments that are not traded on an active market is determined by using valuation techniques. The Corporation uses its judgment in assessing whether a market is considered active as per its policies. The Corporation also uses its judgment to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. The Corporation has used the market approach valuation technique for financial assets at FVOCI that are not traded on an active market.

Valuation of lease liabilities and right-of-use assets

The application of IFRS 16 requires the Corporation to make judgments that affect the valuation of the lease liabilities and the valuation of right-of-use assets. These include: determining contracts in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting future cash flows.

The lease term determined by the Corporation generally comprises a non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Corporation is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Corporation is reasonably certain not to exercise that option. The same term is applied as economic useful life of right-of-use assets.

Commercial Production

Prior to reaching pre-determined levels of operating capacity intended by management, costs incurred are capitalized as part of "mineral properties under development" within property, plant and equipment, and proceeds from sales are offset against capitalized costs. Depletion of capitalized costs for mining properties begins when pre-determined levels of operating capacity intended by management have been reached. Management considers several factors in determining when a mining property has reached levels of operating capacity intended by management, including:

- when the mine is substantially complete and ready for its intended use;
- the ability to sustain ongoing production at a steady or increasing level;
- the mine has reached a level of 75% of design capacity of 4,000 tonnes per day over a 30-day period, and;
- mineral recoveries are at 93% or near the expected production level.

Commercial production will be declared on the first day of the calendar month following achievement of the above milestones. Once in commercial production, the capitalization of certain mine development and construction costs cease. Subsequent costs are either regarded as forming part of the cost of inventory or expensed. However, any costs relating to mining asset additions or improvements or mineable reserve development are assessed to determine whether capitalization is appropriate.

As at September 1, 2018, commercial production was declared for the Boungou project.

Capitalization of Underground Development Costs during the Production Phase

The Corporation applies judgment in allocating costs between operating and capital items in respect of underground mining costs during the development phase. Costs are capitalized when the activity provides

5. Critical Accounting Estimates and Judgments (Continued)

access to future ore bodies and are expensed as operating costs when the works involve extraction of ore from operational sections of the orebody. The nature of activity is assessed based on information provided by contractors, together with inspections by the Corporation's mining teams where contractor mining is used. Direct labor, materials and other costs are specifically allocated based on the activity performed. Indirect costs that are attributable to underground works are allocated between capital and operating expenses based on factors such as development versus operating meters. On January 1, 2020, commercial production was declared for the Siou Underground project.

6. Cash

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Cash and cash equivalents			
Cash	70,803	82,496	92,981
Cash equivalents[(i)]	25,716	15,801	414
Total cash and cash equivalents	96,519	98,297	93,395
Restricted cash			
Current portion			
Funds held in trust related to Endeavour's transaction	—	—	24,016
Non-current portion			
Deposit account in relation with the Credit Facility with Macquarie (note 14)	15,000	—	—
Funds held in trust for asset retirement obligations	9,639	9,445	11,672
Other	701	519	391
Total restricted cash	25,340	9,964	36,079
Total cash, cash equivalents and restricted cash	121,859	108,261	129,474

(i) Despite some bank deposits having original investment period of over 90 days, they are deemed highly liquid-cash equivalent items, as they can be redeemed at any time without penalties.

7. Trade and Other Receivables

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Gold trade receivables	92	285	185
Other receivables	1,865	11,661	1,928
VAT receivables	27,397	38,345	41,155
	29,354	50,291	43,268

Gold trade receivables relate to gold shipments not yet collected. They are non-interest bearing and are generally settled within 15 days.

VAT receivables totalled $41,155,000 as at June 30, 2020 (December 31 2019 and 2018 respectively: $38,344,000 and $27,397,000). They are non-interest bearing and are generally settled within 12 months. The VAT receivables that are past due (more than twelve months) amounted to $4,640,000 as at June 30, 2020 (December 31, 2019 and 2018 respectively: $4,634,000 and nil).

On December 31, 2019, the Corporation made a factoring arrangement with a financial institution and sold its VAT receivables for a total amount of $9,753,000 at a factor rate of 5% and cashed in January 2020. This receivable is classified in VAT receivables.

7. Trade and Other Receivables (Continued)

During the first and second quarter of 2020, the Company sold VAT in the amount of $11,261,000 at a factor rate of 5%. The loss on the sale of the VAT of $593,000 was included in finance cost.

For the six-month period ended June 30, 2020, no provision was recorded on VAT receivables (for the years ended December 31, 2019 and 2018: nil).

The Corporation holds no collateral for any receivable amounts outstanding as at June 30, 2020 (December 31, 2019 and 2018: nil).

8. Inventories

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Doré bars	3,671	5,389	16,051
Gold in circuit	16,333	10,414	18,080
Ore stockpiles	16,983	44,020	19,958
Supplies and spare parts	52,291	57,883	52,964
	89,278	117,706	107,053

Following the declaration of commercial production at the Boungou Mine as at September 1, 2018, the "Non-depletable" within Mining interest were reclassified into the appropriate asset categories. As a result, an amount of $12,322,000 was reclassified from "Non-depletable" to inventories as at September 1, 2018.

The cost of inventories that was charged to expenses represents mostly operation expenses and essentially all of the depreciation of Mining Interest.

For the six-month period ended June 30, 2020, mainly in relation to spare parts, a net provision expense amounting to $203,000 was recorded (December 31, 2019 and 2018 respectively: $922,000 and $1,364,000).

9. Acquisition of Savary Gold Corporation

In 2018, the Corporation acquired 39,533,333 shares or 15.5% in Savary Gold Corporation ("Savary Gold") for an amount of $1.8 million. Proceeds of the investment was used by Savary Gold to advance the Karankasso project. On April 30, 2019, the Corporation announced the completion of the acquisition of all the remaining issued and outstanding shares of Savary Gold not previously held by SEMAFO (the "Transaction"). Under the terms of the Transaction, Savary Gold shareholders received 0.0336 SEMAFO common shares for each Savary Gold common share representing 7,299,407 shares issued by SEMAFO.

In accordance with IFRS 3, a business combination is a transaction in which an acquirer obtains control of a business which is defined as an integrated set of activities and assets that is capable of being conducted and managed to provide a return to investors. For an integrated set of activities and assets to be considered a business, the set needs to contain inputs and processes and have the ability to generate outputs. The acquisition of Savary Gold does not meet the definition of a business combination, as the primary assets (Karankasso property) are exploration-stage properties. Consequently, the transaction has been recorded as an acquisition of a group of assets in accordance with IAS 16, Property, Plant and Equipment.

The total purchase price was allocated to the assets acquired and the liabilities assumed based on the fair value of the total consideration at the closing date of the transaction. All financial assets acquired and financial liabilities assumed were recorded at fair value.

9. Acquisition of Savary Gold Corporation (Continued)

The purchase price was calculated as follows:

Consideration paid

7,299,407 SEMAFO common shares issued on closing	19,342
Assumed Savary Gold options and warrants on closing	1,380
Pre-closing common shares fair value and warrants held in Savary Gold	3,718
Transaction costs	957
Non-controlling interest[1]	7,649
	33,046

Net assets acquired

Cash and cash equivalents	1,136
Trade and other receivables	211
Prepaid expenses and other	6
Mining interests	33,035
Trade payables and accrued liabilities	(1,342)
	33,046

Reconciliation of net cash received on acquisition of Savary Gold

Cash acquired	1,136
Transaction costs	(904)
	232

10. Mining Interest

	Depletable	Non-depletable (i)(ii)	Property, Plant and Equipment	TOTAL
	$	$	$	$
Cost				
Balance as at January 1, 2018	**482,333**	**354,569**	**326,163**	**1,163,065**
Additions/expenditures	58,444	112,111	20,047	**190,602**
Underground Development(iii)	—	10,785	—	**10,785**
Reclassification(ii)	250,781	(438,745)	175,642	**(12,322)**
Disposals	(118,692)	—	(8,325)	**(127,017)**
Balance as at December 31, 2018	**672,866**	**38,720**	**513,527**	**1,225,113**
Addition as at January 1, 2019 from the transition to IFRS 16	—	—	7,371	**7,371**
Adjusted balance as at January 1, 2019	**672,866**	**38,720**	**520,898**	**1,232,484**
Additions/expenditures	72,683	31,729	33,547	**137,959**
Acquisition of Savary Gold(iv)	—	33,035	—	**33,035**
Underground Development(iii)	—	46,528	—	**46,528**
Impairment(v)	—	(9,259)	—	**(9,259)**
Right-of-use assets termination	—	—	(29,730)	**(29,730)**
Right-of-use assets modification	—	—	50	**50**
Disposals	—	—	(11,180)	**(11,180)**

[1] Included a 23% non-controlling interest held by a third-party in Savary's main subsidiaries.

10. Mining Interest (Continued)

	Depletable	Non-depletable (i)(ii)	Property, Plant and Equipment	TOTAL
	$	$	$	$
Balance as at December 31, 2019	**745,549**	**140,753**	**513,585**	**1,399,887**
Additions/expenditures	29,828	1,009	7,532	**38,369**
Reclassification[iii]	57,365	(57,365)	—	**—**
Right-of-use assets modification	—	—	(77)	**(77)**
Disposals	—	—	(13,664)	**(13,664)**
Balance as at June 30, 2020	**832,742**	**84,397**	**507,376**	**1,424,515**
Accumulated depreciation and impairment				
Balance as at January 1, 2018	**(229,137)**	**—**	**(172,321)**	**(401,458)**
Depreciation/depletion	(53,034)	—	(35,280)	**(88,314)**
Disposals	118,569	—	7,249	**125,818**
Balance as at December 31, 2018	**(163,602)**	**—**	**(200,352)**	**(363,954)**
Depreciation/depletion	(95,217)	—	(67,815)	**(163,032)**
Right-of-use assets termination	—	—	15,395	**15,395**
Disposals	—	—	10,460	**10,460**
Balance as at December 31, 2019	**(258,819)**	**—**	**(242,312)**	**(501,131)**
Depreciation/depletion	(35,557)	—	(11,940)	**(47,497)**
Right-of-use assets modification	—	—	41	**41**
Disposals	—	—	13,312	**13,312**
Balance as at June 30, 2020	**(294,376)**	**—**	**(240,899)**	**(535,275)**
Carrying amounts				
As at December 31, 2018	**509,264**	**38,720**	**313,175**	**861,159**
As at December 31, 2019	**486,730**	**140,753**	**271,273**	**898,756**
As at June 30, 2020	**538,366**	**84,397**	**266,477**	**889,240**

i. Non-depletable assets mainly comprise farm in agreements, mining rights and exploration and evaluation expenditures which typically include costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore such as topographical, geological, geochemical and geophysical studies.

Non-depletable assets include assets under construction of $3,269,000 (December 31, 2019 and 2018 respectively: $4,206,000 and $3,068,000).

ii. Boungou project

In 2015, the Corporation completed the acquisition of all Orbis Gold Limited shares and as a result, it acquired the Boungou gold project. On February 25, 2016, the Corporation announced the results of the feasibility study of the Boungou project. On March 29, 2016, the Corporation amended its credit facility with Macquarie Bank Limited ("Macquarie") in order to secure sufficient financial resources to bring Boungou into production. On December 22, 2016, the Council of Ministers of Burkina Faso approved the award of the Boungou mining permit. Upon the formal award of the mining decree, the Government of Burkina Faso is entitled to a 10% interest in the project therefore reducing the Corporation's interest to 90%.

On December 22, 2016, management determined that the technical feasibility and commercial viability of the Boungou project had been established.

As at September 1, 2018, the commercial production had been achieved at the Boungou Mine. As a result, the capitalization of pre-commercial costs ceased effective September 1, 2018, including borrowing costs. The Corporation reclassified amounts from "Non-depletable" to appropriate Mining interest categories and to Inventories of $12,322,000.

Prior to commercial production being reached, the amount of borrowing costs capitalized for the year ended December 31, 2018 was $7,930,000. Borrowing costs consisted of interest expense and amortization of deferred transaction costs on the credit facility with Macquarie (note 14) and finance costs related to the finance lease (note 15). Gold sales resulting from pre-production activities are offset against capitalized costs and amounted to $14,994,000.

iii. Siou underground development

In February 2018, the Corporation completed a Mana pre feasibility study (''PFS'') that includes the underground mine at Siou. In September 2018, the Corporation began the 18 month Siou underground development. As a result, the development costs are

10. Mining Interest (Continued)

capitalized as ''Non-Depletable'' and amounts capitalized were carried at cost until the project has reached expected production. During the development period, the amount of borrowing costs capitalized for the year ended December 31, 2019 was $3,827,000 (December 31, 2018: $310,000). Borrowing costs consisted of interest expense and amortization of deferred transaction costs on the Credit Facility with Macquarie (note 14) and finance costs related to the lease liabilities (note 15). As at January 1, 2020, the development period of the underground was completed and the capitalization of the interest and the amortization ceased and all costs related to the Siou underground development were transferred to Depletable category.

iv. The acquisition of Savary Gold was completed as of April 30, 2019 and the value of the mining interest acquired was $33,035,000. Those costs were classified in the Non-depletable assets category. The costs were also allocated to specific exploration permits.

v. Impairment

During the year ended December 31, 2019, the Corporation recorded an impairment loss of $9,259,000, mainly related to its Korhogo property, previously capitalized as "Non-Depletable" within "Mining Interest". The Corporation has no plans to further develop internally the Korhogo property as substantive expenditure on further exploration and evaluation of mineral resources in the Korhogo property is neither budgeted nor planned. Consequently, the exploration rights costs and capitalized exploration and evaluation expenses for this property have been written off within the "other exploration" segment and have been included as "impairment of PPE" in the consolidated statement of income (loss).

11. Other assets

Other assets are comprised of:

	As at December 31, 2018	As at December 31 2019	As at June 30, 2020
	$	$	$
Advance receivable	2,117	1,421	1,010
Restricted cash (note 6)	25,340	9,964	12,063
	27,457	11,385	13,073

Advance receivable

On October 1, 2011, the Corporation entered into an agreement with National Electricity Company (''Sonabel''), in Burkina Faso, pursuant to which the Corporation advanced an amount for the construction of a high-voltage transmission line to deliver power to the Mana Mine. Reimbursements to the Corporation by Sonabel began at the end of the first quarter of 2016 and should continue over a seven-year period in accordance with the agreement.

The advance is non-interest bearing and is measured at amortized cost using the effective interest rate method, which has been determined using a weighted average discount rate of 7%. The intangible asset represents the difference between the amount paid to Sonabel and the advance receivable recorded at the date of transaction. This intangible asset represents the right to obtain future benefits from the future supply of energy and is amortized over the useful life of the mine. The depreciation is recognized in the consolidated statement of income (loss) and classified within "depreciation and depletion". The intangible is classified in the "Mining Interest".

12. Other Financial Assets

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Investment in GoviEx Uranium Inc ("GoviEx") (note 20)	1,079	1,152	506
Investment in Compass Gold Corp. ("Compass Gold") (note 20)[1]	—	2,546	1,089
Investment in Savary Gold (note 20)[2]	1,450	—	—
Other	93	—	—
	2,622	3,698	1,595

13. Trade Payables and Accrued Liabilities

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Trade accounts payable	56,092	61,427	71,095
Payroll and social charges	1,787	1,902	2,852
Royalties	816	393	6,494
Provision	3,052	2,843	11,042
Share unit plan liabilities	3,312	3,269	—
Dividend payable	—	—	6,848
Other payables	5,209	4,097	2,429
	70,268	73,931	100,760

All payables are unsecured, non-interest bearing, incurred in the normal course of the Corporation's business operations.

Provision

Provision include various indirect tax exposures amounting to $1,993,000 as at June 30, 2020 (December 31, 2019 and 2018 respectively: $2,722,000 and $2,849,000). From time to time, the Corporation is subject to reviews of its income tax filings and other taxes and, in connection with such reviews, disputes can arise with the taxation authorities over the interpretation or application of certain rules to the Corporation's business conducted in a given country. The Corporation is currently subject to various tax exposures which management estimates could range from nil to $3,000,000 (December 31, 2019 and 2018: nil to $3,000,000). Management believes its current provision is sufficient to cover for significant tax exposures.

Provision also include a special compensation arrangement $17,000 as at June 30, 2020 (as at December 31, 2019 and 2018 respectively: $121,000 and $203,000) made with the former President and Chief Executive Officer for which the undiscounted value of the special compensation arrangement was $325,000. The disbursements are expected to be made during the years 2019 to 2020.

Finally, provision include additional amount of $9,032,000 as at June 30, 2020 which relates to two elements. First, the Corporation received a water extraction tax invoice of $3,842,000 (2,244,166,000 FCFA) on October 15, 2015. The Corporation believe that it is exempt from this tax under its mining agreement for the Mana Mine pursuant to fiscal stability clauses. However, in December 2020, the Corporation agreed on a settlement of $6,078,000 to settle the amount outstanding and recognized a provisions of $6,078,000 at June 30, 2020. Second is a decision on a legal claim which obligates the Corporation to pay an amount of $2,954,000 which was recorded as a provision as at June 30, 2020.

[1] In November 2019, SEMAFO invested $1,512,000 in Compass Gold. Please refer to note 20 for more details.

[2] In 2018, SEMAFO invested $1.8 million in Savary Gold. In April 2019, SEMAFO announced the completion of the previously announced Transaction whereby SEMAFO acquired all the remaining issued and outstanding shares of Savary Gold. Please refer to note 20 for more details.

13. Trade Payables and Accrued Liabilities (Continued)

The inherent uncertainty regarding the outcome of these disputes means that the eventual resolution could differ from the accounting estimates and therefore could impact the Corporation's financial position and results of operations.

14. Debt

Debt consists of the following:

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Credit Facility (a)	120,000	60,000	30,000
Unamortized deferred financing costs	(2,612)	(725)	(242)
Equipment financing (b)	181	—	—
Debt, net of deferred transaction costs	117,569	59,275	29,758
Current portion	60,181	59,275	29,758
Non-current portion	57,388	—	—
	117,569	59,275	29,758

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Balance—beginning of period	115,557	117,569	59,275
Principal repayment	(310)	(60,181)	(30)
Amortization of financing costs	2,322	1,887	—
Balance—end of period	117,569	59,275	59,245

(a) Credit Facility with Macquarie

As at June 30, 2020, the credit facility with Macquarie ("Credit Facility") amounted to $30,000,000 (as at December 31, 2019 and 2018 respectively: $60,000,000 and $120,000,000) and bore interest at a rate equal to LIBOR plus 4.75% per annum. Principal repayable in eight equal quarterly installments of $15,000,000, the first principal repayment due March 31, 2019. The Credit Facility is secured by a pledge of all assets of SEMAFO Inc., which include SEMAFO (Barbados) Limited shares.

The Corporation is required to maintain an amount of $25,000,000 in a distinct account. This requirement will be lifted when the Corporation commences commercial production at its Boungou Mine and the Credit Facility amount has been lowered to $90,000,000. In addition, the Corporation is required to deposit $15,000,000 until the Credit Facility is less than or equal to $30,000,000; this amount was recorded as restricted cash (note 6).

Since commercial production has been achieved at Boungou, the Credit Facility is subject to maintaining the minimum following consolidated covenants on a quarterly basis:

- Current Ratio of greater than 1.20:1.00
- Ratio of Net Debt to Trailing Two Quarter EBITDA of less than 5.00:1.00

As at June 30, 2020, December 31, 2019 and 2018, all above mentioned covenants were met.

The Corporation may prepay amounts outstanding under the Credit Facility in whole or in part, at any time, without penalty.

14. Debt (Continued)

Background

i) Original terms

On March 3, 2015, the Corporation entered into a credit facility amounting to $90,000,000 (''Original Credit Facility'') with Macquarie. In consideration for the Original Credit Facility, the Corporation incurred financing fees amounting to $2,550,000, of which $1,200,000 was paid in cash and $1,350,000 in common shares of the Corporation. The Original Credit Facility bore interest at a rate equal to LIBOR plus 6.5% per annum, with the principal repayable initially in three equal annual installments. The first principal repayment of $30,000,000 was made on March 3, 2016.

ii) 2016 amendments

In 2016, the Corporation entered into two amendments to the Original Credit Facility, which consisted of an increase in available credit facility from $60,000,000 to $120,000,000 with the New Advance to be drawn by June 30, 2017. The interest rate was reduced to LIBOR plus 4.75% per annum, with the principal repayable in eight equal quarterly installments of $15,000,000, the first principal repayment starting March 31, 2019.

The Corporation incurred financing fees of $5,959,000 related to the New Advance of which $5,700,000 were settled in common shares of the Corporation and $259,000 were settled in cash. The financing fees of $5,959,000 were recorded proportionately against the amount drawn and will be amortized using the effective interest rate method. As at December 31, 2016, half of the financing fees, which represented $2,980,000, were classified as unamortized deferred transaction costs and the other half of $2,979,000 were capitalized in "other non-current financial assets" in the statement of financial position and were not subject to amortization since the New Advance had not been drawn.

All amendments were accounted for as a modification of debt.

iii) 2017 Drawdown

On June 20, 2017, the Corporation drew down the incremental $60,000,000 of the Credit Facility. The related financing fees of $2,979,000 capitalized in "other non-current financial assets" were reclassified as unamortized deferred transaction costs against the Credit Facility.

iv) 2019 Amendments

The Corporation has entered into a second waiver and amendment agreement (the "Amendment Agreement") dated December 20, 2019 with Macquarie that updates the original credit agreement (the "Original Agreement"). The Original Agreement remains in force, and the Amendment Agreement provides two main updates.

The first update relates to an event of default provision. The Original Agreement provided that an event of default occurred when, among other things, operations at the Boungou Mine remained suspended for a period of 30 days or more. The Corporation obtained a waiver from Macquarie in early December. Under the Amendment Agreement, a new event of default occurs if the mill has not restarted and the processing of ore from the existing stockpiles at the Boungou Mine has not commenced by February 15, 2020 or such later date that Macquarie may agree with. In early February 2020, the Boungou plant was restarted, and processing of the stockpile began.

The second update relates to the reserve account, recorded as restricted cash, in which $15 million is required to be held until the Credit Facility reaches $30 million. Under the Amendment Agreement, this restricted cash of $15 million was applied against the principal payment on December 31, 2019. The restricted cash was therefore nil as at December 31, 2019, and the Corporation will be required to replenish the reserve account back to $15 million by March 31, 2020, in addition to making the regular principal payment of $15 million due March 31, 2020.

14. Debt (Continued)

v) 2020 Amendments

The Corporation has entered into a fourth waiver and amendment agreement (the "Amendment Agreement") dated March 26, 2020 with Macquarie that updates the original credit agreement (the "Original Agreement"). The Original Agreement remains in force, and the Amendment Agreement provides two main updates.

The first update relates to the reserve account. Under the Amendment Agreement, the Corporation is no longer required to replenish its reserve account of $15,000,000 as at June 30, 2020. Instead, the payment of 15,000,000 will be applied against the Credit Facility balance. This payment is in addition of the required $15,000,000 installment due at June 30, 2020.

The second update relates to the Initial Repayment Schedule under the Credit Facility. The remaining principal amount owing of $30,000,000 at the end of June 30, 2020 will be due and payable in two quarterly installments as follows: $15,000,000 at the latest on September 30, 2020 and $15,000,000 on December 31, 2020.

(b) Equipment financing

In May 2016, the Corporation purchased equipment, a portion of which was financed by the supplier for an initial amount of $930,000 ("Equipment Financing"). The Equipment Financing bears interest at a rate of 7.25% per annum. The interest and principal are payable in 36 monthly installments commencing in August 2016. As at December 31, 2018, the outstanding Equipment Financing amounted to $181,000.

15. Leases

Right-of-use assets are included within Mining Interest and consist of the following:

	Buildings and equipment related to mining production	Mining equipment	Rolling stock, communication and computer equipment	TOTAL
	$	$	$	$
Year ended December 31, 2019				
Opening net carrying amount (assets previously under finance leases under IAS 17)	2,937	24,293	1,005	28,235
Addition as at January 1, 2019 from the transition to IFRS 16 (note 4)	1,716	4,270	1,385	7,371
Adjusted net carrying amount, as per IFRS 16	4,653	28,563	2,390	35,606
Additions (b)	3,951	13,574	188	17,713
Lease termination (b)	—	(14,335)	—	(14,335)
Modification	(11)	61	—	50
Depreciation charge	(1,990)	(10,946)	(916)	(13,852)
Closing net carrying amount	**6,603**	**16,917**	**1,662**	**25,182**
Six-month period ended June 30, 2020				
Opening net carrying amount	6,603	16,917	1,662	25,182
Additions (c)	1,326	535	3	1,864
Lease termination				—
Modification	—	(36)	—	(36)
Depreciation charge	(729)	(4,574)	(479)	(5,782)
Closing net carrying amount	**7,200**	**12,842**	**1,186**	**21,228**

15. Leases (Continued)

Lease liabilities consist of the following:

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Opening balance, lease liabilities as per IAS 17 (previous finance leases under IAS 17)	—	27,964	—
Addition as at January 1, 2019 from the transition to IFRS 16 (note 4)	—	7,371	—
Adjusted opening balance, lease liabilities as per IFRS 16	23,711	35,335	28,317
New debt obligations under lease liabilities (a) (b) (c)	9,738	17,713	1,864
Lease termination (b)	—	(13,959)	—
Debt modification	—	148	(28)
Mobilization payment during the period	(154)	(878)	(162)
Payments during the period	(5,331)	(10,080)	(6,152)
Impact of foreign exchange	—	38	(42)
Closing balance, lease liabilities	**27,964**	**28,317**	**23,797**
Current portion	7,820	13,073	11,044
Non-current portion	20,144	15,244	12,753
	27,964	**28,317**	**23,797**

These liabilities were measured at the present value of the remaining lease payments, discounted using the Corporation's incremental borrowing rate of 7% or the interest rate implicit in one particular lease, which was 7.5%. There are no restrictions or covenants imposed by the leases.

Supplementary lease information

	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$
Amounts recognized in profit or loss		
Interest on lease liabilities included in finance cost (note 22)	1,702	**842**
Expense relating to variable lease payments not included in the measurement of lease liabilities	4,552	**378**
Amounts recognized in the statement of cash flows		
Total cash outflow for leases	15,510	**6,692**
Commitment		
Leases not yet commenced to which the lessee is committed	11,002	**9,291**

15. Leases (Continued)

The future minimum lease payments with respect to the Corporation's lease liabilities are as follows:

	Less than one year	Between one year and five years	Over 5 years	Total
	$	$	$	$
Year ended December 31, 2018				
Minimum lease payments	7,820	19,764	380	27,964
Financial charges	1,734	1,890	7	3,631
	9,554	**21,654**	**387**	**31,595**
Year ended December 31, 2019				
Minimum lease payments	13,073	14,959	285	28,317
Financial charges	1,392	1,475	8	2,875
	14,465	**16,434**	**293**	**31,192**
Six-month period ended June 30, 2020				
Minimum lease payments	11,044	12,340	413	23,797
Financial charges	1,141	1,116	20	2,277
	12,185	**13,456**	**433**	**26,074**

(a) 2018

In 2018, the Corporation entered into an agreement for the Boungou Mine, which included a finance lease component. In the second quarter of 2018, the Corporation recognized initially $3,033,000 as finance lease assets in Mining interest, as part of "PPE" with a corresponding amount as financial lease obligation.

In 2018, the Corporation signed a mining services contract with African Underground Mining Services Burkina Faso SARL (''AUMS'') to provide turnkey mining services for the Siou underground development project. As a result, in 2018, leased assets were mobilized. In 2018, the Corporation recognized $6,705,000 as right-of-use assets in Mining interest, with a corresponding amount as a lease obligation.

(b) 2019

Lease termination

In July 2017, the Corporation entered into a mining services agreement ("Mining Agreement") with African Mining Service Burkina Faso SARL ("AMS") for the Boungou Mine.

The Mining Agreement has an initial duration of five years. The mining services provided by AMS includes the extraction and haul of the ore and waste in a manner to ensure feed to the plant or designated stockpiles. AMS also provides a labor force and the equipment needed to perform the mining services. The Corporation remains responsible for the mining plan. Based on the substance of the Mining Agreement at the inception date, it was determined that it contained a lease with respect to the mining fleet.

In November 2019, AMS announced that it will take steps towards ceasing operations in the Est region of Burkina Faso and called for a force majeure on the contract it had with the Corporation at the Boungou Mine. Therefore, AMS has terminated the Mining Agreement and its operations at the Boungou Mine.

Consequently, in 2019, the Corporation derecognized the AMS lease liability of $13,959,000 and write-off the corresponding right-of-use of assets of $14,335,000. A loss of $376,000 was recorded as an increase of "depreciation expense" in the statement of income (loss).

15. Leases (Continued)

2019 lease assets mobilization

During 2019, additional leased assets were mobilized. The Corporation recognized $17,713,000 as right-of-use assets in Mining Interest, with a corresponding amount as a lease liability. These assets are mostly related to the AUMS mining services contract at the Mana Mine.

(c) 2020

During the six-month period ended June 30, 2020, additional leased assets were mobilized. The Corporation recognized $1,864,000 as right-of-use assets in Mining Interest, with a corresponding amount as a lease liability. These assets are mostly related to the AUMS mining services contract at the Mana Mine.

16. Other Liabilities

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Provisions	30,815	32,150	32,725
Share unit plan liabilities	2,263	2,755	—
	33,078	**34,905**	**32,725**

	Asset retirement obligations	Other	Total
	$	$	$
As at January 1, 2018	**13,230**	**319**	**13,549**
Additional provisions	16,968	—	16,968
Variation due to accretion expense, exchange rate and provision used during the year	510	(212)	298
As at December 31, 2018	**30,708**	**107**	**30,815**
Additional provisions	523	—	523
Variation due to accretion expense, exchange rate and provision used during the period	919	(107)	812
As at December 31, 2019	**32,150**	**—**	**32,150**
Additional provisions	89	—	89
Variation due to accretion expense, exchange rate and provision used during the period	486	—	486
As at June 30, 2020	**32,725**	**—**	**32,725**

Asset Retirement Obligations

The liability for asset retirement obligations as at June 30, 2020 was $32,725,000 (December 31, 2019 and 2018 respectively: $32,150,000 and $30,708,000). In the six-month period ended June 30, 2020, the Corporation recognized a additional asset retirement obligations of $89,000 (for the years ended December 31, 2019 and 2018 respectively: an addition of $523,000 and $16,968,000$ of which $10,242,000$ was specifically related to the Boungou Mine).

The estimated undiscounted value of this liability was $38,181,000 (December 31, 2019 and 2018 respectively: $38,035,000 and $37,287,000). These disbursements are expected to be made during the years 2020 to 2030.

In the six-month period ended June 30, 2020, an accretion expense component of $486,000 (note 22) (for the years ended December 31, 2019 and 2018 respectively: $919,000 and $510,000) was charged to operations in

16. Other Liabilities (Continued)

"finance costs" to reflect the carrying amount of the asset retirement obligation which was determined using a weighted average discount rate of 7% (December 31, 2019 and 2018: 7%).

Other

Provision also include a special compensation arrangement of $107,000 as at December 31, 2018 made with the former President and Chief Executive Office.

17. Income Taxes

a) Deferred Tax

The movement in deferred tax assets during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax assets	Operating losses carried forward	Unrealized foreign exchange losses	Reserve	Total
	$	$	$	$
As at January 1, 2018	**—**	**422**	**—**	**422**
Charged to statement of (loss) income	33,232	948	—	34,180
Exchange differences	(1,324)	(44)	—	(1,368)
As at December 31, 2018	**31,908**	**1,326**	**—**	**33,234**
Charged to statement of income (loss)	(28,940)	(27)	980	(27,987)
Exchange differences	(631)	(27)	—	(658)
As at December 31, 2019	**2,337**	**1,272**	**980**	**4,589**
Charged to statement of (loss) income	(2,265)	—	(980)	(3,245)
Exchange differences	(72)	2	—	(70)
As at June 30, 2020	**—**	**1,274**	**—**	**1,274**

The movement in deferred tax liabilities during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	Inventories	Mining interests	Unrealized foreign exchange losses	Reserve	Investments in subsidiaries	Total
	$	$	$	$	$	$
As at January 1, 2018	**(1,109)**	**(24,436)**	**—**	**(7)**	**(5,814)**	**(31,366)**
Charged to statement of (loss) income	(775)	(47,705)	5	(101)	—	(48,576)
Charged (credited) to equity	—	(11,653)	—	—	—	(11,653)
Exchange differences	71	3,140	—	3	—	3,214
As at December 31, 2018	**(1,813)**	**(80,654)**	**5**	**(105)**	**(5,814)**	**(88,381)**
Charged to statement of income (loss)	217	(12,327)	—	100	1,687	(10,323)
Exchange differences	36	1,627	—	—	—	1,663
As at December 31, 2019	**(1,560)**	**(91,354)**	**5**	**(5)**	**(4,127)**	**(97,041)**
Credited (charged) to statement of (loss) income	(1,785)	(2,455)	—	(202)	2,673	(1,769)
Exchange differences	(37)	(126)	—	(22)	—	(185)
As at June 30, 2020	**(3,382)**	**(93,935)**	**5**	**(229)**	**(1,454)**	**(98,995)**

17. Income Taxes (Continued)

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
Deferred tax assets	33,234	4,589	1,274
Deferred tax liabilities	(88,381)	(97,041)	(98,995)
	(55,147)	**(92,452)**	**(97,721)**

The net operating losses carried forward and deductible temporary differences for which deferred tax assets have not been recognized amounted to $121,827,000 as at June 30, 2020 (December 31, 2019 and 2018 respectively: $103,400,000 and $93,323,000). Of these amounts, $12,410,000 as at June 30, 2020 (December 31, 2019 and 2018 respectively: $7,508,000 and $14,762,000) has no expiration date and $109,416,000 (December 31, 2019 and 2018 respectively: $95,892,000 and $78,561,000) in respect of losses and donations that can be carried forward against future taxable income and expiring between 2020 and 2039.

In addition, the Corporation has $33,842,000 (December 31, 2019 and 2018 respectively: $33,209,000 and $27,243,000) of net capital losses carried forward for which deferred tax assets have not been recognized. Net capital losses can be carried forward indefinitely and can only be used against future taxable capital gains.

At June 30, 2020, no deferred tax liabilities were recognized for temporary differences of $510,431,000 (December 31, 2019 and 2018 respectively: $415,620,000 and $293,478,000) related to investments in subsidiaries because Semafo controls whether the liability will be incurred and it is satisfied that it will not be incurred in the foreseable future.

Following the acquisition of the corporation on July 1, 2020, the net operating losses carried forward and deductible temporary differences for which deferred tax assets have not been recognized amounted to $16,180,000 as at July 1, 2020 (June 30, 2020: $121,827,000). Of these amounts, $12,492,000 as at July 1, 2020 (June 30, 2020: $12,410,000) has no expiration date and $3,688,000 (June 30, 2020: $109,416,000) in respect of losses and donations that can be carried forward against future taxable income and expiring between 2020 and 2039.

In addition, the Corporation has nil (June 30, 2020: $33,842,000) of net capital losses carried forward for which deferred tax assets have not been recognized.

b) Income Tax Expense

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Current tax			
Current tax on profits for the period	2,136	7,947	12,570
Adjustments in respect of prior years	—	19	(1,374)
Total current tax	2,136	7,966	11,196
Deferred tax			
Origination and reversal of temporary differences	14,396	38,310	5,014
Income tax expense	16,532	46,276	16,210

17. Income Taxes (Continued)

The tax on the Corporation's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	Year ended December 31, 2018	Year ended December 31, 2019	Year ended June 30, 2020
	$	$	$
Income before income taxes	19,930	95,515	15,713
Canadian combined tax rate	26.70%	26.60%	26.50%
Tax calculated at Canadian combined tax rate	5,321	25,407	4,164
Tax effects of:			
Difference in tax rate of foreign subsidiaries	(2,106)	(1,541)	(1,066)
Unrecorded tax benefits	4,576	7,683	6,706
Depreciation subject to initial recognition exemption	1,904	9,305	292
Expenses not deductible for tax purposes	(1,062)	240	4,247
Non-deductible (taxable) capital (gains) losses	1,821	(433)	374
Adjustment in respect of prior years	(132)	47	16
Foreign exchange loss (gain) not materialized	(509)	199	(137)
Effect of currency translation on tax base	3,651	2,789	88
Other taxes included in income tax expense	2,134	1,762	2,568
Other	934	818	(1,042)
Income tax expense	16,532	46,276	16,210

The applicable statutory tax rate in 2020 is 26.5% (2019 and 2018 respectively: 26.6% and 26.7%). The decrease to the statutory tax rate is due to a tax rate decrease in the province of Quebec.

18. Share Capital

a) Authorized and issued

The Corporation's share capital consists of authorized:

- Unlimited number of common shares without par value
- Unlimited number of Class "A" preferred shares, no par value, non-voting, non-participating and redeemable at the option of the holder at a price of $0.23 (C$0.32) per share
- Unlimited number of Class "B" preferred shares, no par value, non-voting, non-participating and redeemable at the option of the Corporation at a price of $0.09 (C$0.12) per share

The Corporation has 334.5 million common shares without par value outstanding at June 30, 2020 (December 31, 2019 and 2018 respectively: 334.5 million common shares and 325.6 million common shares). There were no Class "A" preferred shares or Class "B" preferred shares issued or outstanding for any of the periods presented.

b) Options

	Year ended December 31, 2018	Year ended June 30, 2019	Six-month period ended June 30, 2020
	$	$	$
Number of options exercised under Share Option Plan ("Original Plan") and 2010 Share Option Plan ("2010 Plan")	635	1,552	—
Cash consideration for options exercised	861	2,282	—
Amount reclassified from contributed surplus to share capital	449	2,023	—

19. Capital Risk Management

Capital is defined as long-term debt (Credit Facility) plus shareholders of the Corporation:

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Long-term debt (Credit Facility)	117,569	59,275	29,758
Shareholders of the Corporation	779,110	843,847	838,366
	896,679	903,122	868,124

The Corporation's capital risk management objectives are to:

a) Safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders to maintain an optimal capital structure to enhance shareholders' value in the long-term;

b) Ensure sufficient capital is available to meet short-term business requirements and pursue the development of its mining projects and operations;

c) Maintain an optimal capital structure and reduce the cost of capital; and

d) Ensure sufficient capital for business development.

As a growing business, the Corporation requires extensive capital. The Corporation raises capital, as necessary, to meet its needs and take advantage of opportunities and, therefore, does not have a defined numeric target for its capital structure.

20. Financial Instruments

Measurement Categories

Financial assets and financial liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognized in the profit or loss or in OCI. These categories are financial assets at amortized cost, financial assets at FVOCI and financial liabilities at amortized cost. The following table shows the carrying values of assets and liabilities for each of these categories as at June 30, 2020, December 31, 2019 and December 31, 2018.

20. Financial Instruments (Continued)

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Financial assets			
Financial assets at amortized cost			
Cash and cash equivalents	96,519	98,297	93,395
Restricted cash	25,340	9,964	36,079
Gold trade receivables	92	285	185
Advance receivable	2,970	2,257	1,847
Other receivables (excluding VAT)	1,258	10,775	1,928
Total investments at amortized cost	126,179	121,578	133,434
Financial assets at FVOCI			
Total investments in quoted equity instruments	2,529	3,698	1,595
	128,708	125,276	135,029
Financial liabilities			
Financial liabilities at amortized cost			
Trade payables and other financial liabilities	56,849	52,905	82,457
Debt	117,569	59,275	29,758
Lease liabilities	27,964	28,317	23,797
	202,382	140,497	136,012

Financial Risk Factors

a) Market

i. Fair Value

Current financial assets and financial liabilities are valued at their carrying amounts, which are reasonable estimates of their fair value due to their near-term maturities; this includes cash and cash equivalents, gold trade receivables, other receivables (excluding VAT), trade payable and other financial liabilities and lease liabilities. The fair value of the advance receivable was estimated by discounting the future cash flows which approximates its carrying value. The fair value of restricted cash approximates its carrying amount. Debt is accounted for at amortized cost, and its fair value approximates its carrying value.

The fair value hierarchy under which the Corporation's financial instruments are valued is as follows:

- Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly or indirectly; and
- Level 3 includes inputs for the asset or liability that are not based on observable market data.

The Corporation's finance department is responsible for performing the valuation of financial instruments, including Level 3 fair values. The valuation process and results are reviewed and approved by management every quarter, in line with the Corporation's quarterly reporting dates. Valuation results are discussed with the Audit Committee as part of its quarterly review of the Corporation's results of operations. On the basis of its analysis of the nature, characteristics and risks of equity securities, the Corporation has determined that presenting them by type of investment is appropriate.

Advance Receivable

The advance receivable is measured at amortized cost using the effective interest rate method. As the information on fair value is disclosed for the advance receivable, it is classified as a Level 3 according to the

20. Financial Instruments (Continued)

Corporation's fair value hierarchy. The valuation technique used is the income approach (discounted future cash flows) with an effective interest rate of 7% over a seven-year period. Interest income is recognized in the statement of income (loss) as part of "Other income". The fair value as at June 30, 2020 was $1,847,000 (December 31, 2019 and 2018 respectively: $2,257,000 and $2,970,000) and was not significantly different from its carrying amount.

Lease liabilities

Lease liabilities are recognized at the lower of the fair value and the present value of minimum lease payments at inception of the leases. Their fair value approximates their carrying value.

Financial assets at FVOCI

The Corporation has investments in equity instruments that, on initial recognition, were elected and classified as financial assets at FVOCI. The equity instruments are classified as a Level 1 in the fair value hierarchy. Their fair values are a recurring measurement and are estimated using the last closing price observed on the TSX-V, in accordance with the Corporation's policy.

Investment in GoviEx

The investment in GoviEx, a publicly traded mineral resources company focused on the exploration and development of uranium properties in Africa.

The Corporation estimates its fair value to be $506,000 as at June 30, 2020 (December 31, 2019 and 2018 respectively: $1,152,000 and $1,079,000).

Investment in Savary Gold

In 2018, the Corporation acquired 39,533,333 shares in Savary Gold and 3,100,000 warrants for an amount of $1.8 million. Proceeds of the investment was used by Savary Gold to advance the Karankasso project. On initial recognition, the investment in Savary Gold was designated as a financial asset at FVOCI.

On April 30, 2019, the Corporation announced the completion of the previously announced the transaction, whereby the Corporation acquired all the remaining issued and outstanding shares of Savary Gold not previously held by the Corporation (please refer to note 9 for further details). As a consequence, the initial investment in Savary Gold classified as a financial asset at FVOCI is part of an acquisition achieved in stages. On the date of transaction, as part of the purchase price allocation, the Corporation derecognized its investment, which as at April 30, 2019, the Corporation estimated the fair value of Savary Gold's common share to be $3,533,000 and the warrants' fair value to be $185,000.

Investment in Compass Gold

In November 2019, the Corporation acquired 5,714,286 shares in Compass Gold for an amount of $1,512,000. The investment in Compass Gold, a publicly traded mineral exploration company focused on gold exploration and the development of mining projects in Mali, is in line with the Corporation's strategy to invest in prospective exploration companies to complement our internal development.

The Corporation estimates its fair value to be $1,089,000 as at June 30, 2020 (December 31, 2019 and 2018 respectively: $2,546,000 and nil).

There were no transfers between Level 1, Level 2 and Level 3 during the six-month period ended June 30, the years ended December 31, 2019 and 2018.

20. Financial Instruments (Continued)

Financial income from cash and cash equivalents

Financial income of $793,000 for the six-month period ended June 30, 2020 (December 31, 2019 and 2018 respectively: $2,233,000 and $2,283,000) is derived from the Corporation's financial assets and is calculated using the effective interest method.

ii. Interest Rate Risk

Interest rate risk is the risk that the value or cash flow of assets and liabilities will change when the related interest rates change.

The Corporation is exposed to cash flow interest rate risk primarily on its long-term debt and does not take any particular measures to protect itself against fluctuations in interest rates.

The debt provides for an interest on the outstanding principal amount from the date of advance to the Corporation at a rate equal to LIBOR plus 4.75%. Related interest rates are based on market interest rates. An increase (decrease) in the LIBOR rate for the long-term debt of 1% would generate an increase (decrease) of $300,000 in net income and equity over a 12 months horizon based on the outstanding balances outstanding as at June 30, 2020 (December 31, 2019 and 2018 respectively: $600,000 and $1,200,000). An increase in the LIBOR rate for the long-term debt of 1% would generate an increase of $300,000 in net income and equity over a 12 months horizon based on the outstanding balances outstanding as at June 30, 2020 (December 31, 2019 and 2018 respectively: $600,000 and $1,200,000).

With the exception of its debt, the Corporation's current financial assets and financial liabilities are not significantly exposed to interest rate risk because either they are of a short-term nature or because they are non-interest bearing.

The Corporation's advance receivable is non-interest bearing and therefore bears no interest rate risk.

iii. Foreign Exchange Risk

The Corporation's operations in Burkina Faso are subject to currency fluctuations and such fluctuations may materially affect its financial position and results. Gold is currently sold in US dollars. The majority of the costs of the Corporation are in non-US dollars. The appreciation of non-US dollar currencies against the US dollar can increase the cost of exploration and production in US dollar terms. The Corporation does not use derivatives to mitigate its exposure to foreign currency risk.

The Corporation's statement of financial position contains balances of cash and cash equivalents, restricted cash and other receivables, advance receivable and trade payables and other financial liabilities payable in currencies other than its functional currency. Accordingly, the Corporation is exposed to foreign exchange risk.

The balances in currencies are as follows as at June 30, 2020, December 31, 2019 and December 31, 2018 presented in US dollars:

	2018	2019	2020
Canadian dollar	167	(2,110)	17,484
CFA Francs	22,915	35,523	38,919
Euro	7,200	(1,923)	(2,420)
Other currencies	347	125	299

Assuming that all other variables are constant, a weakening of 10% in the foreign currencies against the US dollar would have generated a decrease of $4,919,000 in net income (loss) and equity for the six-month period ended June 30, 2020 (for the years ended December 31, 2019 and 2018 respectively: $2,858,000 and $2,768,000). A strengthening of 10% in the foreign currencies against the US dollar would have generated an increase of $6,014,000 in net income (loss) and equity for the six-month period ended June 30, 2020 (for the years ended December 31, 2019 and 2018 respectively: $3,496,000 and $3,386,000).

20. Financial Instruments (Continued)

iv. Equity Price Risk

The Corporation is exposed to equity price risk for equity investments at FVOCI. Equity price risk is the risk that the fair value of a financial instrument varies due to equity market changes. The Corporation's quoted equity investments in GoviEx, Savary Gold and Compass Gold are exposed to equity price risk since their fair value is determined through the last closing share price on the TSX-V. As at June 30, 2020, a variation of 10% of the quoted equity investments in GoviEx and Compass Gold would result in an estimated effect in the statement of comprehensive income (loss) and in equity of $160,000 (net of tax) for the six-month period ended June 30, 2020 (December 31, 2019 and 2018 respectively: $370,000 and $253,000).

b) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Corporation to credit risk consist of cash and cash equivalents, restricted cash, gold trade receivables and other receivables and advance receivables. The Corporation offsets these risks by depositing its cash and cash equivalents, including restricted cash, with Canadian and international financial institutions with credit rating between AA- and B, with one bank in Africa having a credit rating of B and other banks in Africa, with no credit rating. The Corporation only performs transactions with one counterparty for the sale of gold. The Corporation has receivables from the Government of Burkina Faso and receivables from a purchaser. With regard to advance receivable and other receivables, a credit analysis is performed on the counterparties assuring the risk to the Corporation as being minimal.

c) Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they fall due. The following are the contractual maturities of financial liabilities as at June 30, 2020, December, 31, 2019 and 2018:

	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years
	$	$	$	$
Year ended December 31, 2018				
Trade payables and other financial liabilities	56,814	35	—	—
Long-term debt including interest	67,132	62,673	—	—
Gross finance lease obligations	9,514	9,342	12,313	386
Year ended December 31, 2019				
Trade payables and other financial liabilities	52,759	146	—	—
Long-term debt including interest	31,871	30,802	—	—
Gross finance lease obligations	8,387	6,078	16,434	293
Six-month period ended June 30, 2020				
Trade payables and other financial liabilities	82,457	—	—	—
Long-term debt including interest	30,684	—	—	—
Gross finance lease obligations	11,928	11,184	2,529	433

The Corporation's growth is financed through a combination of cash on hand, cash flows from operations, the issuance of equity and long-term debt. One of management's primary goals is to maintain an optimal level of liquidity through the active management of assets and liabilities, as well as cash flows.

Surplus cash held over and above the balance required for working capital management and other expected needs are invested in interest-bearing current accounts and bank deposits. Liquidity risk is considered minimal because the Corporation has surplus cash. As at June 30, 2020, the Corporation held cash comprising cash on hand and demand deposits amounting to $92,981,000 (December 31, 2019 and 2018 respectively: $82,496,000 and $70,803,000); and cash equivalents that are composed of bank deposits and money market investments of $414,000 (December 31, 2019 and 2018 respectively: $15,801,000 and $25,716,000).

21. Share-Based Compensation

The following table details the share unit plan liabilities:

	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
	$	$	$
Current	3,311	3,269	—
Non-current	2,263	2,755	—
	5,574	6,024	—

In accordance with the terms of the Arrangement, all outstanding RSU's, PSU's and DSU's vested upon closing and were paid out in cash after closing, the amount to be paid was included in restricted cash at June 30, 2020 (note 1).

As at December 31, 2019, the total intrinsic value of share unit plan liabilities for which the counterparty's right to cash had vested amounted to $3,269,000 (December 31, 2018: $3,311,000).

The following table provides the break-down of the share-based compensation expense by type of share unit:

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended, June 30, 2020
	$	$	$
Restricted Share Units (RSU)[(a)]	1,253	2,221	10,660
Deferred Share Units (DSU)[(b)]	36	420	1,923
Performance Share Units (PSU)[(c)]	14	(49)	8,538
	1,303	2,592	21,121

The following table breaks down the share-based compensation expense related to outstanding units and to the change in the fair value of share price:

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Expense related to outstanding units	3,130	3,167	11,439
Expense related to change in the fair value of the share price	(1,827)	(575)	9,682
	1,303	2,592	21,121

a) RSU

Under the Corporation's RSU Plan, RSUs can be granted to employees, directors, officers and consultants as part of their long-term compensation package, entitling them to receive payout in cash if the vesting conditions are met. Pursuant to the RSU Plan, the RSUs granted are scheduled for payout after three years provided that the applicable vesting conditions are met at the end of the performance cycle. The value of the payout is determined by multiplying the number of RSUs vested at the end of the performance cycle by the average closing price of the Corporation's shares in the last five trading days prior to the end of said performance cycle.

21. Share-Based Compensation (Continued)

The following table provides the activity for all RSUs for the six-month period ended June 30, 2020, the year ended December 31, 2019 and year ended December 31, 2018:

	Number of RSUs
Outstanding as at January 1, 2018	3,742,000
Granted under the 2018 plan	1,434,000
Vested and paid	(1,696,000)
Forfeited	(333,000)
Outstanding as at December 31, 2018	**3,147,000**
Outstanding as at January 1, 2019	3,147,000
Granted under the 2019 plan	1,698,000
Vested and paid	(1,033,000)
Forfeited	(374,000)
Outstanding as at December 31, 2019	**3,438,000**
Outstanding as at January 1, 2020	3,438,000
Granted under the 2020 plan	1,558,000
Vested and paid	(807,000)
Forfeited	(257,000)
Outstanding as at June 30, 2020	**3,932,000**
Accelerated of units upon closing of the transaction	(3,932,000)
Remaining units outstanding as at June 30, 2020	—

A total of 807,000 RSUs vested as at December 31, 2019, which was settled for a cash consideration of $1,680,000 in January 2020. A total of 1,033,000 RSUs vested as at December 31, 2018, which was settled for a cash consideration of $2,194,000 in January 2019.

b) DSU

The DSU Plan is a non-dilutive long-term incentive plan in which employees, including senior management, directors and any other person designated by the Corporation, can participate. DSUs are payable in cash. Pursuant to the DSU Plan, after the participant ceases to sit on the Board or be employed or retained by the Corporation, a redemption date is proposed by the participant within the terms of the DSU plan (''Redemption Date''). The redemption value of each DSU held by the participant is determined by multiplying the number of DSUs credited to this participant by the average closing prices of the Corporation's common shares in the last five trading days prior to the Redemption Date.

21. Share-Based Compensation (Continued)

The following table provides the activity for all DSUs for the six-month period ended June 30, 2020, the year ended December 31, 2019 and 2018:

	Number of DSUs
Outstanding as at January 1, 2018	596,000
Granted	148,000
Paid	(180,000)
Outstanding as at December 31, 2018	**564,000**
Outstanding as at January 1, 2019	564,000
Granted	200,000
Outstanding as at December 31, 2019	**764,000**
Outstanding as at January 1, 2020	764,000
Granted	280,000
Outstanding as at June 30, 2020	**1,044,000**
Accelerated of units upon closing of the transaction	**(1,044,000)**
Remaining units outstanding as at June 30, 2020	**—**

c) PSU

The PSUs are granted under the RSU Plan. PSUs can be granted to employees, directors, officers and consultants as part of their long-term compensation package, entitling them to receive payout in cash if the vesting conditions are met. The PSUs granted are scheduled for payout after three years provided that the applicable vesting conditions are met at the end of the performance cycle. The performance criterion is based on the Corporation's share price in comparison to a customized index regrouping peer companies. The value of the payout is determined by multiplying the number of PSUs vested at the end of the performance cycle by the average closing price of the Corporation's shares in the last five trading days prior to the end of said performance cycle and adjusted by a performance payout multiplier between 0% and 150%.

	Number of PSUs
Outstanding as at January 1, 2018	454,000
Granted	317,000
Forfeited	(298,000)
Outstanding as at December 31, 2018	**473,000**
Outstanding as at January 1, 2019	473,000
Granted	339,000
Forfeited	(211,000)
Outstanding as at December 31, 2019	**601,000**
Outstanding as at January 1, 2020	601,000
Granted	845,000
Outstanding as at June 30, 2020	**1,446,000**
Accelerated of units upon closing of the transaction	**(1,446,000)**
Remaining units outstanding as at June 30, 2020	**—**

22. Finance Costs

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended December 31, 2020
	$	$	$
Interest on debt	2,701	4,518	1,350
Interest on lease liabilities	613	1,702	842
Accretion expense	529	928	486
Amortization of deferred financing costs	734	1,218	483
Other	741	1,685	1,553
	5,318	10,051	4,714

23. Non-Controlling Interests

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Government of Burkina Faso—10% in SEMAFO Boungou S.A	1,650	9,628	1,310
Government of Burkina Faso—10% in SEMAFO Burkina Faso S.A	1,383	2,137	2,158
	3,033	11,765	3,468

24. Earnings (Loss) per share

(in thousands, except shares and per share amounts)	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Net income (loss) for the period attributable to shareholders of the Corporation	365	37,474	(3,965)
Average weighted number of outstanding common shares—basic	325,478	331,392	334,468
Dilutive effect of options	—	—	—
Weighted average number of outstanding common shares—diluted	325,478	331,392	334,468
Earnings (loss) per share	—	0.11	(0.01)
Diluted earnings (loss) per share	—	0.11	(0.01)

25. Financial Commitments and Contingencies

Purchase Obligations

As at June 30, 2020, purchase commitments totaled $1,907,000 (December 31, 2019 and 2018 respectively: $2,999,000 and $2,594,000).

Government Royalties

In Burkina Faso, all shipments at gold spot prices lower or equal to $1,000 per ounce are subject to a royalty rate of 3%, a 4% rate is applied to all shipments at gold spot prices between $1,000 and $1,300 per ounce, and a 5% royalty rate is applied to all shipments at a gold spot price greater than $1,300 per ounce.

25. Financial Commitments and Contingencies (Continued)

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Royalties amount paid to the Government of Burkina Faso	12,729	22,526	12,064
Royalty rates[1]	4%–5%	4%–5%	5%

In 2018, this excludes any amounts paid during the construction of the Boungou Mine, which were capitalized in Mining interest.

Community Development Tax

The Corporation is subject to a community development tax of 1% of its revenues at the Boungou Mine. For the six-month period ended June 30, 2020, the community development tax at the Boungou Mine amounted to $904,000 (December 31, 2019: $2,958,000). For the year ended December 31, 2018, the community development tax amounted $664,000, excludes any amounts paid during the construction of the Boungou Mine, which were capitalized in Mining interest.

Net Smelter Royalty (“NSR”), Net Profits Interest (”NPI”) and Reserve Royalty

The Corporation is subject to NSRs’ (varying from 1% to 1.5%), to NPIs’ (varying from 0.5% to 1%), as well as a onetime Reserve Royalty payment, on certain of its exploration properties. These NSRs’, NPIs’ and Reserve Royalty come into effect when these properties enter into production and, in the case of the Reserve Royalty, upon probable and proven reserves being determined in a positive feasibility study.

Contingencies

Tax assessment

In December 2016, the Corporation received from the Burkinabe tax authorities the 2016 tax assessment totaling $7,759,000 (4,537,818,000 FCFA) including $1,390,000 (813,329,000 FCFA) in penalties. The 2016 tax assessment mainly covers withholding taxes which the Corporation believes are not applicable to the Corporation by virtue of fiscal stability clauses included under the Mana mining agreement.

In 2016, the Corporation has paid an amount of $640,000 (374,000,000) FCFA from the 2016 assessment and believes the other assessed amounts and penalties should not be subjected to tax under the fiscal stability clauses.

In December 2019, the Burkinabe tax authorities offset the Corporation’s VAT receivable for $5,729,000 (3,350,489,000 FCFA) against a tax assessment covering the years 2013 to 2015 (the “2016 tax assessment’’), although it had no legal and jurisdictional basis to act upon.

The Corporation is vigorously defending its position and has continued to recognize the VAT receivable of $5,729,000 (3,350,489,000 FCFA), as it believes it has legal and fiscal enforceable rights to the balance. The final outcome of this matter is not determinable at this time and no provision was recorded as at June 30, 2020. Any provision will be recognized in the Corporation’s historical financial information once it becomes

26. Related Party Transactions

Key management includes directors, executive officers and management team members. The remuneration of key management personnel was as follows:

	Year ended December 31, 2018	Year ended December 31, 2019	Six-month period ended June 30, 2020
	$	$	$
Short-term employee benefits	3,353	3,904	2,819
Share-based compensation	927	1,828	14,084
	4,280	5,732	16,903

The Corporation provides termination and change of control benefits to key management members. Had all these individuals been terminated on June 30, 2020, the Corporation would have incurred a termination expense of approximately $11,915,000 (December 31, 2019 and 2018 respectively: $9,609,000 and $6,395,000).

27. Segmented Information

The Corporation is conducting exploration and production activities in Burkina Faso. The business segments presented reflect the management structure of the Corporation and the way in which the Corporation's chief operating decision maker reviews business performance. The Corporation evaluates the performance of its operating segments primarily based on segment operating income, as defined below.

	2018			
	Boungou, Burkina Faso	Mana, Burkina Faso	Corporate and other	Total
	$	$	$	$
Revenue	66,966	229,713	—	**296,679**
Cost of sales				
Operating expenses	19,922	135,371	—	**155,293**
Depreciation and depletion	23,742	54,597	390	**78,729**
Royalties	3,338	10,055	—	**13,393**
Earnings (loss) from mine operations	**19,964**	**29,690**	**(390)**	**49,264**
Total additions mining interest	90,795	70,884	28,923	**190,602**
Total mining interest	411,557	433,985	15,617	**861,159**
Total assets	535,772	496,956	84,523	**1,117,251**
Total liabilities	88,017	77,735	138,274	**304,026**

	2019			
	Boungou, Burkina Faso	Mana, Burkina Faso	Corporate and other	Total
	$	$	$	$
Revenue	295,758	179,992	—	**475,750**
Cost of sales				
Operating expenses	61,137	91,088	—	**152,225**
Depreciation and depletion	105,484	45,914	610	**152,008**
Royalties	16,998	8,486	—	**25,484**
Earnings (loss) from mine operations	**112,139**	**34,504**	**(610)**	**146,033**
Total additions mining interest	23,113	102,764	12,082	**137,959**
Total mining interest	507,107	351,802	39,847	**898,756**
Total assets	652,758	456,605	76,234	**1,185,597**
Total liabilities	120,934	94,563	78,188	**293,685**

27. Segmented Information (Continued)

	Six-month period ended June 30, 2020			
	Boungou, Burkina Faso	Mana, Burkina Faso	Corporate and other	Total
	$	$	$	$
Revenue	90,193	148,879	—	**239,072**
Cost of sales				
Operating expenses	44,785	79,832	—	**124,617**
Depreciation and depletion	(3,122)	39,129	281	**36,288**
Royalties	5,423	7,545	—	**12,968**
Earnings (loss) from mine operations	**43,107**	**22,373**	**(281)**	**65,199**
Total additions mining interest	339	35,845	2,185	**38,369**
Total mining interest	496,441	363,541	29,258	**889,240**
Total assets	631,170	450,940	95,590	**1,177,700**
Total liabilities	112,402	93,197	84,616	**290,215**

The Corporation's revenue is derived from a refiner. The Corporation is not economically dependent on a limited number of customers for the sale of gold because gold can be sold through numerous commodity market traders worldwide.

28. Subsequent Events

This entity was acquired by Endeavour on July 1, 2020, please refer to the Historical Financial Information of Endeavour for any subsequent events from this date.

PART 15
HISTORICAL FINANCIAL INFORMATION OF TERANGA

Section A—Accountants' report on the Historical Financial Information of Teranga



BDO LLP
55 Baker Street
London
W1U 7EU

The Directors
Endeavour Mining plc
5 Young Street
London
W8 5EH

9 June 2021

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Dear Sir or Madam

Teranga Gold Corporation and its subsidiary undertakings (together, the "Teranga Group")

Introduction

We report on the financial information set out in Section B of this Part 15 of the prospectus dated 9 June 2021 of Endeavour Mining plc (the "Company") (the "Prospectus").

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Teranga Group as at 31 December 2018, 2019 and 2020 and of its results, cash flows and changes in equity for the three years ended 31 December 2020 in accordance with International Accounting Standards as adopted by the United Kingdom.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the United Kingdom.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 of the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Delegated Regulation**"), consenting to its inclusion in the Prospectus.

Basis of preparation

This financial information has been prepared for inclusion in the Prospectus on the basis of the ac-counting policies set out in note 3 to the financial information. This report is required by item 18.3.1 of Annex 1 of the Prospectus Delegated Regulation and is given for the purpose of complying with that item and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and the Teranga Group in accordance with the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of the Teranga Group to continue as a going concern for a period of at least twelve months from the date of the Prospectus. Accordingly the use by the directors of the Company of the going concern basis of accounting in the preparation of the financial information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 of the Prospectus Delegated Regulation.

Yours faithfully

BDO LLP
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

SUB-SECTION B: HISTORICAL FINANCIAL INFORMATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/LOSS

(In thousands of United States dollars)

	Note	For the years ended December 31, 2018	2019	2020
Revenue	6	312,294	353,122	720,020
Operating expenses	7	(152,943)	(179,822)	(276,843)
Royalties		(21,032)	(22,620)	(47,663)
Depreciation and depletion		(58,104)	(80,800)	(128,082)
Cost of sales		**(232,079)**	**(283,242)**	**(452,588)**
Earnings from mine operations		**80,215**	**69,880**	**267,432**
Corporate costs		(13,932)	(14,842)	(16,624)
Acquisition and restructuring costs		—	—	(12,933)
Share-based compensation	35	(4,851)	(8,464)	(13,025)
Exploration costs		(13,160)	(11,021)	(23,394)
Impairment reversal of mining interests	8	—	—	31,690
Earnings from operations		**48,272**	**35,553**	**233,146**
Other income/(expense)				
Finance costs	9	(15,783)	(21,072)	(52,101)
Gains/(losses) on financial instruments	10	7,355	(27,897)	(65,265)
Other expenses	11	(2,294)	(6,083)	(4,303)
Earnings/(loss) before taxes		**37,550**	**(19,499)**	**111,477**
Current income tax expense	12	(13,017)	(20,334)	(41,805)
Deferred income tax expense	12	(16,761)	(1,712)	(18,999)
Net comprehensive earnings/(loss)		**7,772**	**(41,545)**	**50,673**
Total net comprehensive earnings/(loss) attributable to:				
Shareholders of Teranga Gold Corporation		6,599	(43,835)	38,748
Non-controlling interests		1,173	2,290	11,925
Total net comprehensive earnings/(loss)		**7,772**	**(41,545)**	**50,673**
Earnings/(loss) per share from operations attributable to shareholders of Teranga Gold Corporation during the year				
—Basic earnings/(loss) per share	28	0.06	(0.41)	0.25
—Diluted earnings/(loss) per share	28	0.06	(0.41)	0.24

The accompanying notes are an integral part of the Historical Financial Information

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of United States dollars)

	Note	As at December 31, 2018	2019	2020
Current assets				
Cash and cash equivalents		46,615	29,717	75,128
Restricted cash	13	—	103,593	—
Trade and other receivables	14	9,079	13,581	32,620
Inventories	15	73,886	87,263	132,547
Prepaid expenses and other	16	11,269	5,260	7,956
Total current assets		**140,849**	**239,414**	**248,251**
Non-current assets				
Inventories	15	106,873	103,205	97,194
Mining interests	17	691,550	823,489	1,390,330
Deferred tax assets	18	12,187	10,475	2,299
Other non-current assets	16	3,604	2,889	1,427
Total non-current assets		**814,214**	**940,058**	**1,491,250**
Total assets		**955,063**	**1,179,472**	**1,739,501**
Current liabilities				
Trade and other payables	19	77,909	94,709	117,535
Subscription receipts liability	20	—	101,531	—
Borrowings	21	—	42,906	34,375
Current income tax liabilities		13,124	16,307	41,907
Gold stream liability	22	14,860	7,158	3,494
Provisions	23	4,425	10,012	16,617
Lease liabilities	24	—	3,805	2,674
Deferred revenue	25	—	14,380	—
Other financial liabilities	26	—	13,320	36,755
Total current liabilities		**110,318**	**304,128**	**253,357**
Non-current liabilities				
Borrowings	21	87,097	138,869	288,249
Gold stream liability	22	73,902	66,970	61,527
Provisions	23	34,530	50,042	58,842
Lease liabilities	24	—	5,942	4,538
Deferred tax liabilities	18	—	—	10,824
Other financial liabilities	26	15,668	22,230	110,750
Other non-current liabilities	19	11,245	8,726	10,599
Total non-current liabilities		**222,442**	**292,779**	**545,329**
Total liabilities		**332,760**	**596,907**	**798,686**
Equity				
Issued capital	27	497,257	497,642	753,948
Foreign currency translation reserve		(998)	(998)	(998)
Other components of equity		6,517	7,939	9,830
Retained earnings		91,475	47,640	86,388
Equity attributable to shareholders		**594,251**	**552,223**	**849,168**
Non-controlling interests		28,052	30,342	91,647
Total equity		**622,303**	**582,565**	**940,815**
Total equity and liabilities		**955,063**	**1,179,472**	**1,739,501**

The accompanying notes are an integral part of the Historical Financial Information

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of United States dollars)

	Note	For the years ended December 31, 2018	2019	2020
Issued capital				
Beginning of year		496,333	497,257	497,642
Shares issued on acquisition of Massawa Gold Project	5a	—	—	112,801
Shares issued from conversion of subscription receipts	27	—	—	104,835
Shares issued from private placement	27	—	—	44,598
Share issuance costs	27	—	—	(6,425)
Exercise of stock options	35	924	385	497
End of year		497,257	497,642	753,948
Foreign currency translation reserve				
Beginning of year		(998)	(998)	(998)
End of year		(998)	(998)	(998)
Other components of equity				
Beginning of year		18,299	6,517	7,939
Equity-settled share-based compensation expense		790	1,422	1,891
Investment revaluation reserve on change in fair value of marketable securities, net of tax		—	—	—
Acquisition of non-controlling interest in Boss Gold and Boss Minerals	5c	(12,572)	—	—
End of year		6,517	7,939	9,830
Retained earnings				
Beginning of year		84,876	91,475	47,640
Profit/(loss) attributable to shareholders		6,599	(43,835)	38,748
End of year		91,475	47,640	86,388
Non-controlling interests				
Beginning of year		15,101	28,052	30,342
Acquisition of Afema	5b	6,448	—	—
Non-controlling interest—portion of profit for the year		1,173	2,290	11,925
Acquisition of Massawa Gold Project	5a	—	—	49,380
Acquisition of non-controlling interest in Boss Gold and Boss Minerals	5c	5,330	—	—
End of year		28,052	30,342	91,647
Total equity as at December 31		**622,303**	**582,565**	**940,815**

The accompanying notes are an integral part of the Historical Financial Information

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of United States dollars)

	Note	For the years ended December 31, 2018	2019	2020
Cash flows related to operating activities				
Net comprehensive earnings/(loss)		7,772	(41,545)	50,673
Add/(deduct) non-cash and non-operating items:				
Impairment reversal of mining interests	8	—	—	(31,690)
Fixed asset write-off	11	—	—	3,132
Inventory write-down/(reversal of inventory write-down)	7	3,376	7,068	(10,105)
Depreciation and depletion		60,198	81,408	128,689
Amortization of advanced royalties	16	2,746	2,802	760
Interest and deferred financing costs on borrowings	9	3,378	9,472	40,411
Accretion expense	9	9,723	8,125	7,371
Share-based compensation	35	4,851	8,464	13,025
Revenue from gold stream liability	6	(22,500)	(22,248)	(15,549)
Deferred income tax expense		16,761	1,712	18,999
Taxes paid		(5,942)	(23,629)	(15,993)
Deferred option premium	26b	—	—	3,465
Unrealized (gains)/losses on revaluation of other financial liabilities	26	(3,289)	20,944	45,991
Cash flows related to operating activities before changes in working capital		77,074	52,573	239,179
Changes in working capital	33	9,093	43,128	(32,699)
Net cash provided by operating activities		**86,167**	**95,701**	**206,480**
Cash flows related to investing activities				
Expenditures for property, plant and equipment		(123,896)	(111,277)	(43,951)
Expenditures for mine development		(72,369)	(62,433)	(66,445)
Expenditures for intangibles		(656)	(1,294)	(586)
Acquisition of Massawa Gold Project	5a	—	—	(307,134)
Acquisition of Afema Project	5b	(5,303)	(2,500)	—
Cash acquired from Afema	5b	140	—	—
Investment in marketable securities	16	(77)	—	—
(Increase)/decrease in restricted cash	13	—	(103,458)	103,593
Net cash used in investing activities		**(202,161)**	**(280,962)**	**(314,523)**
Cash flows related to financing activities				
Drawdown of borrowings		112,200	90,676	229,625
Repayment of borrowings		(15,000)	(1,243)	(58,793)
Financing costs paid		(12,278)	(2,216)	(15,260)
Proceeds from stock options exercised		609	259	355
Interest paid on borrowings		(5,391)	(15,937)	(31,638)
Settlement of gold offtake payment liabilities	26d	—	(518)	(8,324)
Lease payments	24	—	(3,239)	(4,003)
Investment in Boss Gold and Boss Minerals	5c	(7,242)	—	—
Proceeds from private placement	27	—	—	45,925
Issuance of subscription receipts	27	—	106,347	—
Payments of share issuance costs	27	—	(2,889)	(3,534)
Net cash provided by financing activities		**72,898**	**171,240**	**154,353**
Effect of exchange rates on cash holdings in foreign currencies		2,040	(2,877)	(899)
Net (decrease)/increase in cash and cash equivalents		**(41,056)**	**(16,898)**	**45,411**
Cash and cash equivalents at the beginning of the year		**87,671**	**46,615**	**29,717**
Cash and cash equivalents at the end of the year		**46,615**	**29,717**	**75,128**

The accompanying notes are an integral part of the Historical Financial Information

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

(In thousands of United States dollars)

1. GENERAL INFORMATION

Teranga Gold Corporation ("Teranga" or the "Company") is a Canadian-based gold company. On November 16, 2020, the Company and Endeavour Mining Corporation ("Endeavour") announced they entered into a definitive agreement whereby Endeavour would acquire all of the issued and outstanding securities of Teranga by way of a plan of arrangement under the Canada Business Corporations Act (the "Combination"), subject to approval by shareholders of both companies, as well as regulatory approval. On January 21, 2021, the shareholders of both companies voted to approve the Combination. On February 3, 2021, the Combination received approval under the Investment Canada Act by the Minister of Innovation, Science and Industry. The Combination closed on February 10, 2021 and the Company ceased trading on the Toronto Stock Exchange ("TSX") on February 16, 2021. Prior to closing of the Combination, the Company was listed on the TSX (TSX: TGZ) and in the United States on the OTCQX market (OTCQX: TGCDF). The immediate and ultimate holding company of Teranga is Endeavour which owns 100 percent of its ordinary shares and is listed on the Toronto Stock Exchange.

In connection with the Combination, Endeavour entered into a $800 million credit facility to consolidate existing debt instruments of both Endeavour and Teranga. Refer to notes 21, 26e and 26f for details.

Teranga is principally engaged in the production and sale of gold, as well as related activities such as mine development and exploration.

Teranga operates the Sabodala-Massawa Gold Complex ("Sabodala-Massawa") in Senegal and the Wahgnion Gold Mine ("Wahgnion") in Burkina Faso. In addition, the Company has a number of early to advanced stage exploration properties in Burkina Faso, Côte d'Ivoire and Senegal.

On March 4, 2020, the Company completed the previously announced acquisition of a 90 percent interest in the Massawa Gold Project ("Massawa") from a wholly-owned subsidiary of Barrick Gold Corporation ("Barrick") and its joint venture partner, Compagnie Sénégalaise de Transports Transatlantiques Afrique de l'Ouest SA ("CSTTAO"), with the government of Senegal holding the remaining 10 percent interest in Massawa (the "Massawa Acquisition"), refer to note 5a for details.

The address of Teranga's principal office is 77 King Street West, Suite 2110, Toronto, Ontario, Canada, M5K 2A1.

2. BASIS OF PREPARATION

The Historical Financial Information presents the consolidated financial results, cash flows and financial position of the Company and its subsidiaries for the three years ended December 31, 2020, prepared in accordance with the accounting policies set in note 3.

The Historical Financial Information have been prepared on the historical cost convention, except for certain financial assets and liabilities that are measured at fair value as disclosed elsewhere in the notes to the Historical Financial Information. All amounts are expressed in thousands of United States dollars, unless otherwise stated, consistent with the predominant functional currency of Teranga's operations.

The accounting policies adopted are in accordance with United Kingdom adopted International Financial Reporting Standards (''UK-IFRS'') as issued by the International Accounting Standards Board (the ''IASB''), the interpretations of the International Financial Reporting Interpretations Committee (''IFRIC''), and the accounting policies applied in the Historical Financial Information of Endeavour, effective for Teranga's reporting for the year ended December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Principles of Consolidation

The Historical Financial Information of Teranga includes the accounts of Teranga Gold Corporation and its subsidiaries. The Historical Financial Information are prepared by consolidating the financial results of Teranga and its subsidiaries as defined in IFRS 10, *Consolidated Financial Statements*.

The Historical Financial Information include the information and results of each Teranga subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control such entity.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In preparing the Historical Financial Information, all inter-company balances and transactions between entities in the group, including any unrealized profits or losses, have been eliminated.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company's equity therein. Non-controlling interests consist of the fair value of net assets acquired at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the business combination.

Total comprehensive income/(loss) is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

b. Business Combinations

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values at the acquisition date, the day on which the Company obtains control, of the assets transferred to the Company, the liabilities assumed by the Company to former owners of the acquiree and the equity interests issued by the Company in exchange for control over the acquiree. The Company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except as follows:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with International Accounting Standards ("IAS") 12, *Income Taxes* and IAS 19, *Employee Benefits*, respectively.
- Assets or disposal groups that are classified as held for sale in accordance with IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.
- Liabilities or equity instruments related to share-based remuneration of the acquiree or share-based remuneration of the Company entered into to replace such arrangements of the acquiree are measured in accordance with IFRS 2, *Share-based Payment* ("IFRS 2").

In cases where the sum of the consideration transferred, the amount of non-controlling interest in the acquiree and the fair value of equity interests in the acquiree held previously by the Company exceeds the net value of identifiable assets and liabilities at the acquisition date, goodwill is measured at the excess amount. A gain is recorded through the consolidated statements of income if the cost of the acquisition is less than the fair values of the identifiable net assets acquired.

Asset Acquisitions

Acquisitions of assets and assumption of liabilities that do not qualify as a business are accounted for as asset acquisitions. The value assigned to the assets acquired and liabilities assumed in asset acquisitions are based upon the relative fair value of consideration given at the date of acquisition. Directly attributable transaction costs are capitalized on the consolidated statement of financial position. Non-controlling interests are recognized at their proportionate share of the fair value of net identifiable assets acquired and liabilities assumed.

c. Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a remaining maturity of 90 days or less at the date of acquisition.

Where applicable, bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

e. Restricted Cash

Cash which are subject to legal or contractual restrictions on their use are classified separately as restricted cash.

f. Inventories

Gold bullion, gold in circuit and ore in stockpiles are physically measured or estimated and valued at the lower of cost and net realizable value. Cost represents the weighted average cost and includes direct costs and an appropriate portion of overhead costs, depreciation and depletion on mining interests used in the production process and depreciation and depletion of mine development costs. As ore is removed from inventory, costs are relieved based on the average cost per ounce in the stockpile.

Ore stockpile quantities are measured by estimating the number of tonnes added and removed from the stockpile and are verified by periodic surveys. The carrying value of ore stockpiles inventory is measured at the lower of weighted average cost and net realizable value which is determined based on the number of contained ounces (based on assay data) and the estimated metallurgical recovery rate.

By-product metals inventory on hand obtained as a result of the production process to extract gold are valued at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion, if any, and applicable costs to sell.

Materials and supplies are valued at the lower of cost and net realizable value. Any provision for obsolescence is determined by reference to specific inventory items identified. A regular and ongoing review is undertaken to establish the extent of surplus items and a provision is made for any potential loss upon disposal. Any write-down of inventories to net realizable value or reversals of previous write-downs are recognized in the Historical Financial Information in the period that the write-down or reversal occurs.

g. Mining interests

Mining interests are measured on the historical cost basis less accumulated depreciation and impairment losses, if any.

The cost of mining interests constructed by the Company includes the cost of materials, direct labour and borrowing costs where appropriate. Assets under construction and assets purchased that are not ready for use are capitalized under capital work in progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to net profit within the statement of comprehensive income during the financial period in which they are incurred. Proceeds from sales of gold produced prior to achieving commercial production is offset against the cost of mining interests.

Depreciation

The depreciable amount of mining interests is depreciated over their useful lives of the asset commencing from the time the respective asset is ready for use. The Company uses the units-of-production ("UOP") method when depreciating mining assets which results in a depreciation charge based on the contained ounces of gold milled.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capitalized mining costs relating to a pit are depreciated on a UOP basis over the pit-specific proven and probable gold reserves. Mining assets include buildings and property improvements, and plant and equipment.

The Company uses the straight-line method when depreciating office furniture and equipment, motor vehicles, mobile equipment and computer software.

Capital work in progress is not depreciated.

Depreciation for each class of mining interests is calculated using the following method:

Class of Mining Interests	Method	Years
Buildings and property improvements	UOP	N/A
Plant and equipment	UOP	N/A
Office furniture and equipment	Straight-line	3 – 8 years
Motor Vehicles	Straight-line	5 years
Mobile Equipment	Straight-line	5 – 8 years
Computer Software	Straight-line	2 – 5 years

The assets' residual values, depreciation method and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

h. Exploration Costs and Mine Development Expenditures

Drilling and related costs that are for general exploration, incurred on sites without an existing mine, or on areas outside the boundary of a known mineral deposit which contains proven and probable reserves are classified as greenfield exploration expenditures and are expensed as incurred. Drilling and related costs incurred to define and delineate a mineral deposit that has not been classified as proven and probable reserves at a development stage or production stage mine are classified as brownfield activities and are capitalized as part of the carrying amount of the related property in the period incurred.

Upon the determination of the technical feasibility and commercial viability of a project, further costs to develop the asset are recognized as mine development expenditures. The development phase is determined to have commenced (i.e. the technical feasibility and commercial viability of extracting a mineral resource is considered to have occurred), when proven and probable reserves are determined to exist, the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or alternatively by sale of the property.

Mine development expenditure assets comprise of costs incurred to secure the mining concession, acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and depletion of assets related to these activities. General and administrative costs are only included in exploration costs where they are related directly to the operational activities in a particular area of interest. Capitalized exploration costs will be amortized using the UOP method over the estimated proven and probable reserves once the asset is in a location and condition necessary for it to be capable of operating in a manner intended by the Company.

i. Commercial Production

A mine development project is considered to have entered the commercial production stage when the mine development assets are primarily available for use. In determining whether mine development assets are considered available for use, the criteria primarily considered include, but are not limited to, the following:

- Completion of a reasonable period of testing of the mine plant and equipment;
- Ability to produce gold in saleable form; and
- Ability to sustain ongoing production of gold.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

When a mine development project moves into the commercial production stage, the capitalization of mine construction costs ceases and subsequent costs incurred are either regarded as inventory or expensed, except for capitalizable costs related to mining asset additions or improvements, or mineable reserve development. It is also at this point that depreciation commences.

j. Deferred Stripping Activity

The cost of stripping activity in the production phase of surface mining will be recognized as an asset, only if all of the following are met:

- It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of the ore body (mining phases) for which access has been improved; and
- The costs relating to the stripping activity associated with that component can be measured reliably.

Once the cost associated with the stripping activity is capitalized as an asset, the cost or revalued amount will be amortized on a units-of-production basis in subsequent periods.

k. Impairment of Long-lived Assets

At each reporting date, the Company reviews the carrying amounts of its long-lived assets to determine whether there is any indication that those assets have incurred an impairment loss or if there is a reversal of existing impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. Where the asset does not generate cash inflows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in net profit within the statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in net profit within the statement of comprehensive income.

l. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in net profit within the statement of comprehensive income in the period in which they are incurred.

m. Leases

Leases are recognized by lessees using a single-on-balance sheet model. The single-on-balance sheet model requires lessees to recognize assets and liabilities for all leases unless the underlying asset has a low value or the lease term is twelve months or less. At the commencement date of a lease, the Company recognizes a lease payment liability, which is the discounted value of future lease payments using the lease-specific incremental borrowing rate, and an asset representing the right to use the underlying asset during the lease term (i.e. the

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

right-of-use asset). The right-of-use asset is depreciated on a straight-line basis over the lease term of the underlying asset. The Company separately recognizes interest expense on the lease liability and depreciation expense on the right-of-use asset.

The Company recognized right-of-use assets at the value of the corresponding lease liability, adjusted for any accrued and prepaid lease payments, and less any impairment provisions. Right-of-use assets are capitalized at the commencement date of the lease and comprise of the initial lease liability and initial indirect costs incurred by the Company when entering into the lease less any lease incentives received. Cash flows relating to reduction of lease liabilities have been presented as cash used in financing activities. The Company has also elected to classify leases which end within twelve months of the date of initial application as short term leases. The lease payments associated with such leases are recognized as an expense in the statement of comprehensive income. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss in the period incurred.

n. Employee Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and long term service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognized in respect of employee benefits are measured using the remuneration rate expected to apply at the time of settlement.

o. Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive, as a result of past events for which it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the present value of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

p. Restoration and Rehabilitation

A provision for restoration and rehabilitation is recognized when there is a present obligation as a result of exploration, development and production activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of removing facilities, abandoning sites and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date, based on current legal or constructive obligation. Future restoration costs are reviewed at each reporting period and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

q. Income Tax

Current Income Tax

Current income tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. Current income tax is calculated on the basis of the law enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries operate and generate taxable income.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Tax

Deferred tax is recognized, in accordance with the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the Historical Financial Information. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting nor the taxable profit or loss.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date and expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The Company has adopted International Financial Reporting Interpretations Committee 23 ("IFRIC 23"), *Uncertainty over Income Tax Treatments*, which explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by a tax authority. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The Company has concluded that IFRIC 23 did not have a material impact on the historical financial information.

r. Financial Instruments

Financial Instrument Classification and Measurement

The Company has classified and measured its financial assets and liabilities as described below:

- Trade receivables and certain other assets are classified as and measured at amortized cost.
- Long-term investments in equity securities, where the Company cannot exert significant influence, are designated as financial assets at FVOCI and are measured at fair value.
- Trade payables, accrued liabilities and long-term debt are classified as and measured at amortized cost.
- Cash and cash equivalents, restricted cash and derivative financial instruments that do not qualify as hedges, or are not designated as hedges, and are classified as FVTPL.

Financial Assets

On initial recognition, a financial asset is classified as and measured at: amortized cost, fair value through profit and loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI").

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

be recognized permanently in other comprehensive income with no reclassification to profit or loss. The election is available on an investment-by-investment basis.

All financial assets not classified as amortized cost or FVOCI are classified as and measured at FVTPL. This includes all derivative assets. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the financial asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

The Company recognizes impairment of financial assets using the expected credit loss ("ECL") model.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

Marketable Securities

Investments may be classified as a marketable security based on their highly liquid nature and because such securities represent the investment of cash that is available for current operations. Changes in market value, excluding other-than-temporary impairments, are recorded through the income statement.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in net profit within the statement of comprehensive income as the Company does not apply hedge accounting. If the remaining maturity of the instrument is more than twelve months and it is not expected to be realized or settled within twelve months, the fair value of derivatives is presented as a non-current asset or a non-current liability. If the remaining maturity of the instrument is less than twelve months, the fair value of derivatives is presented as a current asset or liability.

The grant date fair values of derivative financial instruments issued to obtain borrowings are deducted from the carrying values of borrowings and amortized using the effective interest method.

Financial liabilities and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as FVTPL are measured at amortized cost using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subscription receipts

Subscription receipts were payable in cash in the event the acquisition of Massawa was not completed and have been recognized as a financial liability.

s. Share-based Payments

Equity settled share-based payments

Equity settled share-based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date.

Stock option plan

Prior to the closing of the Combination, the Company had an equity-settled, share-based compensation plan for remuneration of members of the board of directors, management and employees.

The fair value of the options granted was measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options are granted. The fair value of the options was adjusted by the estimate of the number of options that were expected to vest as a result of non-market conditions and was expensed on a graded basis over the vesting period.

Share-based compensation relating to stock options was charged to net profit within the consolidated statements of comprehensive income.

Cash settled share-based payments

Cash settled share-based payments to employees and other providing similar services are measured at the fair value of the instrument at the grant date and every reporting period, with changes in fair value recognized through profit or loss and a corresponding amount recorded as a liability.

Restricted share units (“RSUs”)

The Company granted cash-settled awards in the form of RSUs to directors, officers and certain employees of the Company.

Under the Company’s RSU plan, each RSU granted had a value equal to the value of one Teranga common share. A portion of the RSUs vested equally over a three-year period and were settled in cash upon vesting. The RSU plan also included a portion of RSUs that vest equally based on the Company’s achievement of performance-based criteria over a three-year period.

RSUs were measured at fair value using the market value of the underlying shares at the date of the award grant. At each reporting period, the awards were revalued based on the period end share price with a corresponding charge to share-based compensation expense. RSUs that vest based on the achievement of performance conditions were revalued based on the current best estimate of the outcome of the performance condition at the reporting period. The cost of the award was recorded on a straight-line basis over the vesting period and within non-current liabilities on the consolidated statement of financial position, except for the portion that would vest within twelve months which was recorded within current liabilities. The remaining unamortized expense for the award was recorded on a straight-line basis over the remaining vesting period and within share-based compensation expense on the consolidated statement of comprehensive income.

Deferred share units (“DSUs”)

The Company granted cash-settled awards in the form of DSUs to members of the board of directors of the Company.

Under the Company’s DSU plan, each DSU granted had a value equal to the value of one Teranga common share. Directors had the option to elect to receive their director compensation in the form of DSUs. These DSUs vested as they were granted. All remaining DSUs that were granted vested on the first anniversary of the grant date.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

DSUs were measured at fair value using the market value of the underlying shares at the date of the grant of the award. At each reporting period, the awards were revalued based on the period end share price with a corresponding charge to share-based compensation expense. The cost of the award was recorded on a straight-line basis over the vesting period and was recorded within current liabilities on the consolidated statement of financial position. The expense for the award was recorded on a straight-line basis over the vesting period and was recorded within share-based compensation expense on the consolidated statement of comprehensive income.

t. Revenue

Gold and Silver Bullion Sales

Revenue from gold and silver bullion sales is recognized at the point in time when control is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining whether the Company has satisfied a performance obligation, it considers the indicators of the transfer of control, which include, but are not limited to, whether: the Company has a present right to payment; the customer has legal title to the asset; the Company has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the asset. Control is transferred when the Company enters into a transaction confirmation for the transfer of gold which is generally at the date that the refining process is completed. The Company has concluded that it is the principal in its revenue arrangements because it controls the goods before transferring them to the customer.

Gold Streaming Arrangement

Under the Franco-Nevada gold streaming arrangement, the Company is required to deliver ounces of production annually commencing in 2014 from the Company's existing properties in Senegal in exchange for an up-front deposit of $135 million (the "Stream Agreement"). Under the arrangement, Franco-Nevada pays the Company cash at the prevailing spot price of gold at the date of delivery on 20 percent of the ounces delivered. For the remaining 80 percent of the ounces delivered to Franco-Nevada, the up-front deposit is repaid based on the prevailing spot price for gold. Once the up-front deposit has been fully repaid, the Company will continue to deliver 6 percent of ounces produced from Sabodala for cash proceeds equal to 20 percent of spot price.

On September 25, 2020, the Company and Franco-Nevada formalized an amendment to the Stream Agreement confirming the Company's full discretion regarding the processing priority for either Sabodala or Massawa ore without any Massawa ore becoming subject to the Stream Agreement. As part of this amendment, the Company will deliver 783 ounces per month beginning September 1, 2020 until 105,750 ounces have been delivered to Franco-Nevada (the "Fixed Delivery Period") based on the Sabodala standalone life of mine plan prior to the Massawa Acquisition. At the end of the Fixed Delivery Period, any difference between total gold ounces delivered during the Fixed Delivery Period and 6 percent of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6 percent of production from the Company's existing properties in Senegal (excluding Massawa).

As the total amount paid up-front by Franco-Nevada for the future deliveries (the promised consideration) differs from the stand-alone selling price of the product purchased (i.e. the expected forward price as applied to total anticipated future deliveries), the Company concluded that this arrangement provided the entity with a significant benefit of financing and therefore contains a significant financing component ("SFC").

The consideration transferred, in this case the gold stream liability, should be adjusted for the effects of a SFC, and its effects should be accounted for separately. In order to estimate the effects of the SFC, the Company has determined a discount rate of approximately 9 percent based on management's best estimates of information available at the inception of the streaming arrangement related to the anticipated future deliveries, and the forward prices for gold (estimated at $1,250 per ounce). This discount rate is not subsequently changed for changes in timing, price or quantities of deliveries, and is applied to the gold stream liability to reflect the effects of financing in each period.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deliveries due in connection with the up-front deposit are recorded in revenue based on the forward prices originally established at the time of entering into the contract (i.e. $1,250 per ounce), being the estimated stand-alone selling price of the deliveries as determined at contract inception (after separating the SFC). The outstanding gold stream liability will accrue interest at the discount rate determined, reflecting the cost of financing. Changes in quantity and timing of future deliveries due under the arrangement affect the consideration transferred in exchange for each ounce delivered, and constitute the resolution of uncertain events and the remaining gold stream liability is re-measured using the revised production profile combined with the original estimated discount rate, and original estimated forward prices. A re-measurement of the remaining gold stream liability will result in a cumulative catch-up adjustment to revenue recorded on satisfied performance obligations and will be recorded as either revenue or a reversal of revenue in the period of the change in the remaining gold stream liability.

Interest Income

Interest income is recognized in other expenses within the consolidated statements of comprehensive income.

u. Royalties

Royalties

Royalties, whether paid to the government of a country in which Teranga operates or to third party interests, are based on gold and silver sales and the liability is accrued as revenues are recognized. Royalties are separately reported as expenses and not deducted from revenue.

Advanced Royalties

The Company is required to make payments related to the waiver of the right for the Republic of Senegal to acquire an additional equity interest in the exploration licenses converted to mine licenses when the ore is processed through the Sabodala mill. The former Oromin Joint Venture Group ("OJVG") and Gora properties are subject to advanced royalties. The initial payment of the advanced royalty is recorded within prepaid expenses and other current assets based on expected production from the properties over the next twelve months and the remaining amount is recorded within other non-current assets. The advanced royalty balance was expensed through net profit based on actual production from the properties.

v. Earnings per share

Basic earnings or loss per share is determined by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the financial period.

Diluted earnings or loss per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into ordinary shares. The dilutive effect of dilutive potential shares is determined using the treasury stock method.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Historical Financial Information in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the period and the reported amounts of expenses and income during the period. These judgments, estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience. While management believes that these judgments, estimates and assumptions are reasonable, actual results may differ from the amounts included in the Historical Financial Information.

Judgments made by management in the application of IFRS that have significant effects on the Historical Financial Information and estimates with a significant risk of material adjustments, where applicable, are contained in the relevant notes to the Historical Financial Information.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

The following are critical judgments and estimations that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the Historical Financial Information and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Mineral Reserves

Mineral reserves and mineral resources are determined in accordance with Canadian Securities Administrator's National Instrument 43-101, *Standards of Disclosure for Mineral Projects*. Mineral reserve and resource estimates include numerous estimates. Such estimation is a subjective process, and the accuracy of any mineral reserve or resource estimate is dependent on the quantity and quality of available data and on the assumptions made and judgements used in engineering and geological interpretation. Changes to management's assumptions including economic assumptions such as gold prices and market conditions could have a material effect in the future on the Company's financial position and results of operations.

Units-of-Production

The carrying amounts of the Company's mining interests are depleted based on the estimated contained ounces for each mine. Changes to estimates of contained ounces due to revisions to the Company's mine plans and changes in gold price forecasts can result in a change to future depletion rates.

Mine Restoration and Rehabilitation Provision

The mine restoration provision is based on the expected costs of environmental rehabilitation and inputs used to determine the present value of such provisions and the related accretion expense using the information available at the reporting date. To the extent the actual costs differ from these estimates, adjustments will be recorded and the profit or loss and future cash flows may be impacted.

Indicators of impairment

The Company considers both internal and external information in its process of determining whether there are any impairment indicators on any of its assets. Management considers the following external factors to be relevant: changes in the market capitalization of the entity, changes in the long-term gold price expectations, or changes in the technological, market, economic or legal environment in which the entity operates, or in the market to which the asset is dedicated. Management considers the following internal factors to be relevant: changes in the estimates of recoverable ounces, significant movements in production costs and variances of actual production costs when compared to budgeted production costs, production patterns and whether production is meeting planned budget targets, changes in the level of capital expenditures required at the mine site, changes in the expected cost of dismantling assets and restoring the site, particularly towards the end of a mine's life.

Impairment of Non-Current Assets

In determining the recoverable amounts of the Company's mining interests, management makes estimates of the discounted future cash flows expected to be derived from the Company's mining properties, costs to sell the mining properties and the appropriate discount rate. The projected cash flows are significantly affected by changes in assumptions about gold's selling price, future capital expenditures, changes in the amount of recoverable reserves, resources, and exploration potential, production cost estimates, discount rates and exchange rates. Reductions in gold price forecasts, increases in estimated future costs of production, increases in estimated future non-expansionary capital expenditures, reductions in the amount of recoverable reserves, resources, and exploration potential, and/or adverse current economics can result in a write-down of the carrying amounts of the Company's mining interests. Management has assessed its CGUs as being all sources of mill feed through a central mill, which is the lowest level for which cash inflows are largely independent of other assets.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Commencement of commercial production

Prior to a mine being capable of operating at levels intended by management, costs incurred are capitalized as part of the costs of related mining properties and proceeds from mineral sales are offset against costs capitalized. The Company defines the commencement of commercial production as the date that a mine operates at the levels intended by management. Management considers several factors in determining when commercial production has been reached. Depletion of capitalized costs for mining properties begins when the mine is capable of operating at levels intended by management.

The Company determined that Wahgnion and Massawa commenced commercial production on November 1, 2019 and September 1, 2020, respectively.

Capitalization of waste stripping

Management assesses the costs associated with stripping activities in the production phase of surface mining. Deferred stripping is defined as the excess waste material moved above the average strip ratio to provide access to further quantities of ore that will be mined in future periods, which are estimated by management.

Current income taxes

The Company operates in numerous countries, and accordingly it is subject to, and pays annual income taxes under the various income tax regimes in the countries in which it operates. Significant judgement is required in the interpretation or application of certain tax rules when determining the provision for income taxes due to the complexity of the legislation. From time to time the Company is subject to a review of its income tax filings and in connection with such reviews, disputes can arise with tax authorities over the interpretation or application of certain rules to the Company's business conducted within the country involved. Management evaluates each assessment and recognizes a provision based on its best estimate of the ultimate resolution of the assessment, through either negotiation or through a legal or arbitration process. In the event that management's estimate of the future resolution of these matters change over time, the Company will recognize the effects of the changes in Historical Financial Information in the period that such changes occur.

Deferred taxes

Management is required to make estimations regarding the tax basis of assets and liabilities and related income tax assets and liabilities and the measurement of income tax expense and indirect taxes. This requires management to make estimates of future taxable profit or loss, and if actual results are significantly different than its estimates, the ability to realize any deferred tax assets or discharge deferred tax liabilities on the Historical Financial Information could be impacted.

Contingencies

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not wholly within the Company's control occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims, that may result in such proceedings or regulatory or government actions that may negatively impact the Company's business or operations, the Company with assistance from its legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims or actions as well as the perceived merits of the nature and amount of relief sought or expected to be sought, when determining the amount, if any, to recognize as a contingent liability or assessing the impact on the carrying value of assets. Contingent assets are not recognized in the Historical Financial Information.

5. ASSET ACQUISITIONS

a. Acquisition of Massawa

On March 4, 2020, the Company, through its wholly-owned subsidiary, Teranga Gold (Senegal) Corporation ("Teranga Senegal"), completed the Massawa Acquisition by acquiring all the issued and outstanding common

5. ASSET ACQUISITIONS (Continued)

shares in Massawa (Jersey) Limited ("Massawa Jersey"), a wholly owned subsidiary of Barrick. Massawa Jersey holds a 90 percent interest in Massawa SA, which holds a 100 percent interest in the Massawa exploitation permit. Also acquired as part of the Massawa Acquisition was the residual Kanoumba exploration permit ("Kanoumba Exploration Permit"). With closing of the Massawa Acquisition, Teranga owns a 90 percent interest in Massawa with the government of Senegal holding the remaining 10 percent interest.

The consideration consisted of $300.2 million in cash and a share component of 19.2 million and 1.6 million common shares issued to Barrick and CSTTAO, respectively (the "Upfront Consideration"). In total, $225 million of the Upfront Consideration was funded under an acquisition facility agreement (the "Massawa Facility") with Teranga's existing lender, Taurus Funds Management Pty Ltd. ("Taurus Funds"), which lent $200 million, and $25 million lent by Barrick as part of the lending syndicate under the Massawa Facility (refer to note 21c for details). The balance of the Upfront Consideration was funded by Teranga through a public equity offering (the "Offering") and private placement to Tablo Corporation, an entity controlled by David Mimran, a director of the Company (the "Private Placement"). On December 18, 2019, the Company completed the Offering of 27.5 million subscription receipts at C$5.10 per subscription receipt for gross proceeds of C$140.0 million ($106.3 million) (refer to note 20 for details). On January 7, 2020, the Company completed the Private Placement for 11.7 million Teranga common shares at C$5.10 per common share for gross proceeds of C$59.6 million ($45.9 million). Proceeds from the Offering and Private Placement were held in escrow until completion of the Massawa Acquisition on March 4, 2020. The completion of the Massawa Acquisition resulted in the conversion of 27.5 million subscription receipts into 27.5 million Teranga common shares (refer to notes 20 and 27 for details).

In addition, a future gold price-linked contingent payment will be payable to Barrick in cash three years following completion of the Massawa Acquisition (the "Contingent Consideration"). The Contingent Consideration is as follows:

a. If the average gold price for the three-year period immediately following closing of the Massawa Acquisition (the "three-year average gold price") is equal to or less than $1,450 per ounce, $nil;

b. If the three-year average gold price is greater than $1,450 per ounce and up to, but not more than, $1,500 per ounce, $25 million;

c. If the three-year average gold price is greater than $1,500 per ounce and up to, but not more than, $1,600 per ounce, $35 million; or

d. If the three-year average gold price is greater than $1,600 per ounce, $50 million.

In accordance with IFRS 3, a business combination is a transaction in which an acquirer obtains control of a business which is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. For an integrated set of activities and assets to be considered a business, the set of activities needs to contain inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs. The Massawa Acquisition did not meet the definition of a business combination, as the primary asset (Massawa) is an exploration and evaluation stage property without any substantive processes acquired. Consequently, the Massawa Acquisition has been accounted for as an acquisition of assets.

The total purchase price was allocated to the assets acquired and the liabilities assumed at the closing date of the transaction. On the closing date of the Massawa Acquisition, March 4, 2020, the closing market price of one Teranga common share was C$7.28 or $5.44, using a USD/CAD foreign exchange rate of 1.3371. The Company has elected to measure the non-controlling interests as their proportionate share of the fair value of net identifiable assets acquired and liabilities assumed.

5. ASSET ACQUISITIONS (Continued)

Consideration paid	Amount
Cash consideration	300,164
Share consideration (note 27)	112,801
Contingent consideration (note 26g)	31,456
Transaction costs	7,263
Total consideration	**451,684**

Net assets acquired	Amount
Mineral property (note 17)	520,608
Total assets acquired	**520,608**
Social liability	4,544
Waiver payment	15,000
Total liabilities assumed	**19,544**
Net assets acquired	**501,064**
Non-controlling interest[(i)]	(49,380)
Net assets acquired, excluding non-controlling interest	**451,684**

(i) Non-controlling interest consist of the fair value of net assets acquired at the date of the Massawa Acquisition. The Company has elected to measure the non-controlling interests as their proportionate share of the fair value of the net identifiable assets acquired and liabilities assumed. However, the social liability provision and government waiver liability have not been prorated since they were solely due from Teranga to the government of Senegal.

b. Acquisition of Afema

On March 22, 2018, the Company entered in to an agreement with Sodim Limited ("Sodim"), the owner of all of the issued and outstanding shares of Taurus Gold Afema Holdings Limited ("Afema"), and acquired 51 percent of Afema, which owns the Afema Gold Project through the 90 percent controlled Afema Gold SA, for an initial cash consideration of $5.0 million and an additional $2.5 million paid in March 2019.

Pursuant to the agreement, a final $2.5 million is payable upon the delivery of a confirmation study, feasibility study or updated feasibility study which shall include anticipated pre-production capital expenditures and the Company's written confirmation of its decision to proceed with the development of any Afema project. Upon reaching this milestone, the Company's participating interest will increase to 70 percent and Sodim can elect to maintain its 30 percent equity interest on a fully participatory basis or convert it to a 5 percent equity interest on a free carry basis or a 3 percent net smelter royalty on the Afema project.

Management determined that the acquisition of Afema, along with its mining license and exploration permits, was a purchase of assets and assumption of liabilities and did not qualify as a business combination under IFRS 3. The value assigned to the assets acquired and liabilities assumed were based upon the fair value of consideration given at the date of acquisition and transaction costs were capitalized as part of the purchase consideration. The Company has elected to measure the non-controlling interests as their proportionate share of the fair value of net identifiable assets acquired and liabilities assumed.

Consideration for the acquisition was $7.8 million.

c. Acquisition of Boss Gold and Boss Minerals

On October 2, 2018, the Company completed the acquisition of the remaining 49 percent interest in the Golden Hill and Gourma exploration projects, owned by Boss Minerals Sarl ("Boss Minerals") and Boss Gold Sarl ("Boss Gold") (together, the "Boss Entities"), respectively, from Boss Resources Limited ("Boss Resources") for total consideration of AUD 10 million (US$7.2 million). Upon closing, Teranga owned 100 percent interest in each of the Golden Hill and Gourma exploration projects.

Changes in the Company's ownership in subsidiaries that do not result in a loss of control are recorded as equity transactions. As a result of the acquisition of the remaining 49 percent interest in the Boss Entities, a

5. ASSET ACQUISITIONS (Continued)

debit of $12.6 million was recognized directly in equity, which was the sum of the consideration paid of $7.2 million and a $5.4 million deficit representing Boss Resources' 49 percent non-controlling interest which was derecognized on October 2, 2018.

6. REVENUE

	For the years ended December 31,		
	2018	2019	2020
Gold sales—spot price[(i)]	289,794	330,874	704,471
Gold stream arrangement[(ii)]	22,500	22,248	15,549
Revenue	**312,294**	**353,122**	**720,020**

(i) Includes cash proceeds from the sale of gold to Franco-Nevada Corporation ("Franco-Nevada") recorded at 20 percent of the spot gold price. Refer to note 22 for further details.

(ii) Includes non-cash revenues from the drawdown of the gold stream liability to Franco-Nevada equivalent to $1,000 per ounce of gold (80 percent of $1,250 per ounce of gold). During year ended December 31, 2020, the Company re-measured the remaining gold stream liability as a result of an update to the Sabodala Gold Mine's ("Sabodala") mineral reserves and amendment to the gold stream agreement and recognized a catch-up adjustment to revenue resulting in an increase of $3.4 million (2019: $1.1 million as a result of an update to Sabodala's mineral reserves; 2018: $nil). Refer to note 22 for further details.

For the year ended December 31, 2020, 395,299 ounces of gold were sold at an average realized price of $1,771 per ounce, excluding 12,164 ounces delivered to Franco-Nevada (2019: 236,087 ounces were sold at an average realized price of $1,377 per ounce, excluding 21,140 ounces delivered to Franco-Nevada; 2018: 223,573 ounces were sold at an average realized price of 1,271 per ounce, excluding 22,500 ounces delivered to Franco-Nevada).

For the year ended December 31, 2020, the Company generated revenue from one customer (2019: one customer; 2018: two customers) which individually contributed greater than 10 percent of total revenues. Details are as follows:

	For the years ended December 31,		
	2018	2019	2020
Customer 1	145,036	275,758	684,927
Customer 2	137,821	20,826	—
Others	29,437	56,538	35,093
Total Revenue	**312,294**	**353,122**	**720,020**

7. OPERATING EXPENSES

	For the years ended December 31,		
	2018	2019	2020
Mine production costs	177,008	183,199	281,000
Regional administration costs	1,868	2,732	4,680
Capitalized deferred stripping	(40,085)	(25,859)	(10,054)
Inventory movements	10,776	12,682	(2,063)
Inventory write-down/(reversal of inventory write-down)	3,376	7,068	(10,105)
Incremental COVID-19 costs[(i)]	—	—	13,385
Total Operating Expenses	**152,943**	**179,822**	**276,843**

(i) Incremental costs due to COVID-19 represent additional costs incurred during the year in response to the COVID-19 pandemic such as higher labour costs paid to employees, costs of quarantine accommodation, travel and medical testing.

8. IMPAIRMENT REVERSAL OF MINING INTERESTS

Sabodala-Massawa

During the period ended June 30, 2020, management concluded that there was an observable indication that the recoverable amount of the Sabodala-Massawa CGU had significantly increased as a result of completing the preliminary feasibility study for Sabodala-Massawa, along with an improvement in the long-term gold prices, and therefore performed an analysis of the recoverable amount of the CGU. There is significant judgement involved in the determination of whether a previously recognized impairment loss should be reversed.

At June 30, 2020, the estimated recoverable amount of the CGU was determined on the basis of its fair value less costs of disposal and calculated by discounting the estimated future net cash flows over the estimated life of mine using a discount rate of 8.8 percent. The recoverable amount was based on estimated future gold production levels applying a short-term gold price of $1,600 per ounce for the remainder of 2020 and a long-term gold price of $1,500 per ounce and capital, operating and reclamation costs based on the life of mine plan. As the estimated recoverable amount of the CGU exceeded the previous carrying amount less amortization that would have been recognized had the assets not been impaired, an impairment reversal of $31.7 million was recognized in the consolidated statements of comprehensive income/(loss). The impairment reversal represented the carrying value of the prior impairment allocated to long-lived assets adjusted for amortization.

The discounted cash flow approach uses significant unobservable inputs and is therefore considered level 3 fair value measurement under the fair value hierarchy.

Key Assumptions

The determination of the recoverable amount with level 3 input of the fair value hierarchy, includes the following key applicable assumptions:

- Discount rates were based on each asset group's weighted average cost of capital, of which the two main components are the cost of equity and the after-tax cost of debt. Cost of equity was calculated based on the capital asset pricing model, incorporating the risk-free rate of return based on government marketable bond yields, the Company's beta coefficient adjustment to the market equity risk premium based on a comparable market portfolio, plus a size premium and Company-specific risk factors. Cost of debt was determined by applying an appropriate market indication of the Company's borrowing capabilities and the corporate income tax rate applicable to each asset group's jurisdiction;
- Gold price estimates were determined using forecasts of future prices prepared by industry analysts; and
- Estimated production levels, and future operating and capital costs are based on the detailed revised life of mine plan for Sabodala-Massawa and also take into account management's expected development plans.

9. FINANCE COSTS

	For the years ended December 31,		
	2018	2019	2020
Interest and deferred financing costs on borrowings[(i)]	3,388	9,472	40,411
Accretion expense[(ii)]	9,723	8,125	7,371
Stocking fees	741	922	748
Bank charges	1,931	2,553	3,571
Total Finance Costs	**15,783**	**21,072**	**52,101**

(i) For the year ended December 31, 2020, includes $4.3 million (2019: $nil; 2018: $nil) of deferred financing costs written off as a result of cash sweep payments made on the secured development finance facility with Taurus Funds (the "Wahgnion Facility") and the Massawa Facility. Refer to note 21 for further details.

(ii) Includes interest expense on lease liabilities on the prospective application of IFRS 16 in 2019.

10. GAINS/(LOSSES) ON FINANCIAL INSTRUMENTS

	For the years ended December 31,		
	2018	2019	2020
Unrealized gains/(losses) on derivative instruments (notes 26a,26b and 26c)	2,553	(15,171)	10,786
Realized gains/(losses) on derivative instruments (notes 26a, 26b and 26c)	6,746	(1,194)	(18,507)
Change in fair value of share warrant liability (note 26e)	1,136	(5,759)	(17,266)
Change in fair value of gold offtake payment liabilities (note 26d)	317	(2,177)	(9,300)
Change in fair value of call rights (note 26f)	—	—	(16,551)
Change in fair value of contingent consideration (note 26g)	—	—	(13,810)
Change in fair value of marketable securities (note 16)	(717)	(79)	150
Net foreign exchange losses	(2,680)	(3,517)	(767)
Total Gains/(Losses) on Financial Instruments	**7,355**	**(27,897)**	**(65,265)**

11. OTHER EXPENSES/(INCOME)

	For the years ended December 31,		
	2018	2019	2020
Interest income and other expenses/(income)	979	778	(29)
Business and other taxes	1,315	1,195	1,200
Re-measurement of Badr contingent consideration	—	(2,242)	—
Other tax expenses[(i)]	—	5,632	—
Reclamation expense[(ii)]	—	720	—
Fixed asset write-off[(iii)]	—	—	3,132
Total Other Expenses	**2,294**	**6,083**	**4,303**

(i) Represents interest and penalties included within the tax assessment of $10.4 million in Senegal in 2019.

(ii) Represents reclamation costs incurred for the Koulouqwinde pit at Sabodala in 2019. As the Koulouqwinde pit was not included in the original mine plan and was fully mined during 2019, reclamation costs were expensed as incurred, as they provided no future economic benefits.

(iii) In 2020, the Company conducted a review of its mining interests and identified the Faleme Dam at Sabodala-Massawa was no longer in use and was unlikely to have future economic benefits. As a result, the net book value of $3.1 million was written off.

12. INCOME TAX EXPENSE

The Company records current income tax expenses on taxable income earned in Senegal at a rate of 25 percent and in Burkina Faso at a rate of 17.5 percent. Current income tax is calculated using local tax rates on taxable income, which is estimated in accordance with local statutory requirements and is denominated in the local currency (CFA Franc). The tax basis of all assets and non-current intercompany loans are recorded using historical exchange rates and translated to the functional currency using the period end exchange rate, and as a result, the Company's deferred tax balances will fluctuate between periods due to changes in foreign exchange rates. Current income tax in Senegal is also affected by changes in foreign exchange rates as unrealized foreign exchange gains and losses recorded in the local Historical Financial Information are taxable and deductible, respectively, for purposes of calculating income tax. The Company also has a number of exploration projects in Burkina Faso and Côte d'lvoire, which currently do not generate any profit subject to income tax.

Effective January 1, 2018, Teranga's West African entities in Senegal, Burkina Faso and Côte d'Ivoire converted to new accounting standards under the Organization for the Harmonization of Business Law in Africa ("SYSCOHADA"). The new SYSCOHADA standards bring West African accounting standards and principles in greater alignment to IFRS. As a result, certain transitional changes impacted current and deferred taxes for the year ended December 31, 2018.

During the second quarter 2019, the Company received a tax assessment in the amount of $8.7 million against its Senegalese operating entity, Sabodala Gold Operations SA ("SGO"), and $1.7 million tax assessment against its Senegalese exploration entity, Sabodala Mining Company Sarl ("SMC"). Both assessments covered tax

12. INCOME TAX EXPENSE (Continued)

years 2015, 2016, and 2017 and are related to issues around the Company's corporate structure as well as the nature of treatment of intercompany transactions within the group. For the year ended December 31, 2019, the Company recorded $4.3 million in income tax expense and $5.6 million of interest and penalties in other expenses. The tax assessment was fully settled in 2019.

The Company recorded income tax expense as follows:

	For the years ended December 31,		
	2018	2019	2020
Current income tax expense	13,017	16,017	41,805
Deferred income tax expense	16,761	1,712	18,999
Other tax expense	—	4,317	—
Total Income Tax Expense	**29,778**	**22,046**	**60,804**

The Company's provision for income taxes differs from the amount computed by applying the combined Canadian federal and provincial income tax rates to income before income taxes as a result of the following:

	For the years ended December 31,		
	2018	2019	2020
Income/(loss) before income taxes	37,550	(19,499)	111,477
Statutory tax rates	26.5%	26.5%	26.5%
Income tax expense/(recovery) computed at statutory tax rates	9,951	(5,167)	29,541
Impact of foreign tax rates	2,236	3,281	(9,761)
Non-deductible items	3,153	6,214	22,083
Adjustment for prior years	(102)	(274)	1,374
Tax credits	(64)	(31)	—
Impairment reversal of mining interests	—	—	(7,922)
Tax settlement	—	4,317	—
Change in foreign exchange rates	10,750	1,387	(528)
Unrecognized deferred tax assets	3,854	12,319	26,017
Total Provision for Income Taxes	**29,778**	**22,046**	**60,804**

13. RESTRICTED CASH

On December 18, 2019, the Company completed the Offering of 27,451,000 subscription receipts (the "Subscription Receipts") at C$5.10 per Subscription Receipt for gross proceeds of C$140.0 million ($106.3 million) (note 20). The gross proceeds less 50 percent of the underwriters' fee were placed into escrow with Computershare Trust Company of Canada.

On January 7, 2020, the Company completed the Private Placement of 11,677,942 common shares at C$5.10 and gross proceeds of C$59.6 million ($45.9 million) were placed into escrow and recorded as restricted cash.

On March 4, 2020, the escrowed funds (less the balance of underwriters' fees, a portion of the Upfront Consideration and certain debt-related transaction costs) from the Subscription Receipts and Private Placement were released from escrow upon satisfaction of certain release conditions (including closing of the Massawa Acquisition) (note 5a). The Subscription Receipts were converted into common shares and the Private Placement common shares were issued on the same date.

As at December 31, 2020, the Company had restricted cash of $nil (2019: $103.6 million; 2018: $nil).

14. TRADE AND OTHER RECEIVABLES

	As at December 31,		
	2018	2019	2020
Current			
Value added tax ("VAT") recoverable[(i)]	5,874	11,062	29,483
Other receivables	3,205	2,519	3,137
Total Trade and Other Receivables	**9,079**	**13,581**	**32,620**

(i) VAT is levied at a rate of 18 percent on supply of goods and services and is recoverable on the majority of purchases in Senegal. Non-recoverable VAT is expensed to net profit/(loss). In February 2016, the Company received an exemption for the payment and collection of refundable VAT in Senegal. This exemption is governed by an amendment to the Company's mining convention and expires on May 2, 2022. The balance primarily relates to VAT amounts paid within 24 months prior to commencement of operations at Wahgnion in Burkina Faso, VAT amounts paid during the production stage at Wahgnion, which has not been recovered yet, and VAT amounts paid prior to May 2017 in Senegal. Subsequent to December 31, 2020, Wahgnion received VAT certificates for $3.4 million.

15. INVENTORIES

	As at December 31,		
	2018	2019	2020
Current			
Gold bullion	3,153	19,479	13,001
Gold in circuit	4,545	8,821	12,272
Ore stockpile	33,970	4,932	27,025
Total gold inventories	**41,668**	**33,232**	**52,298**
Diesel fuel	2,014	3,235	3,526
Materials and supplies	29,526	44,338	69,524
Goods in transit	678	6,458	7,199
Total other inventories	**32,218**	**54,031**	**80,249**
Total current inventories	**73,886**	**87,263**	**132,547**
Non-current			
Ore stockpile	106,873	103,205	97,194
Total Inventories	**180,759**	**190,468**	**229,741**

16. PREPAID EXPENSES AND OTHER ASSETS

	As at December 31,		
	2018	2019	2020
Current			
Prepayments[(i)]	5,043	4,164	7,561
Advanced royalty[(ii)]	1,184	760	—
Derivative financial assets (note 26a)	4,385	—	—
VAT certificates held[(iii)]	333	91	—
Marketable securities[(iv)]	324	245	395
Total Prepaid Expenses and Other Current Assets	**11,269**	**5,260**	**7,956**
Non-current			
Advanced royalty[(ii)]	2,378	—	—
Reclamation deposit[(v)]	—	—	1,427
Prepayments for non-current assets	1,226	—	—
Deferred costs[(vi)]	—	2,889	—
Total Other Non-Current Assets	**3,604**	**2,889**	**1,427**
Total Prepaid Expenses and Other Assets	**14,873**	**8,149**	**9,383**

(i) As at December 31, 2020, prepayments include advances to vendors and contractors in Senegal of $3.7 million (2019: $1.5 million; 2018: $2.7 million), $1.0 million (2019: $0.5 million; 2018: $1.4 million) in Burkina Faso, $2.2 million for insurance (2019: $1.6 million; 2018: $0.9 million) and $0.7 million (2019: $0.6 million; 2018: $nil) for corporate and others.

(ii) As at December 31, 2020, advanced royalty payments to the government of Senegal was fully amortized (2019: $0.8 million; 2018: $3.6 million). In total, the Company had recorded $10.0 million related to the Oromin Joint Venture Group ("OJVG") in 2014 and $4.2 million related to the Gora deposit in the first quarter of 2015. The advanced royalties were expensed to profit or loss based on actual production from the former OJVG and Gora deposits. During the year ended December 31, 2020, the Company expensed $0.8 million as amortization of the OJVG advanced royalties (2019: $2.8 million; 2018: $2.7 million). The Company has begun accruing additional amounts based on the excess of the initial payments and the actual cumulative production from the OJVG deposits, net of mining royalties, multiplied by the Company's weighted average gold prices (note 19).

(iii) VAT certificates are highly liquid and convertible into cash at local banks or may be issued directly to the Company's suppliers to reduce future VAT collections or other taxes payable by the Company.

(iv) The Company holds publicly traded equity securities that are classified as marketable securities and are revalued to prevailing market prices at each period end. Unrealized gains and losses from changes in fair value are accounted for in the statement of comprehensive income/(loss).

(v) During the year ended December 31, 2020, Wahgnion began contributing to the Environmental Intervention Fund ("EIF") in Burkina Faso for future mine rehabilitation and closure costs at Wahgnion. Amounts will be released for progressive rehabilitation activities provided the government of Burkina Faso approves the annual rehabilitation program submitted (note 23).

(vi) Represents transaction costs incurred related to the Massawa Acquisition and Massawa Facility. Upon completion of the Massawa Acquisition and drawdown of the Massawa Facility on March 4, 2020, these costs were reclassified to the acquisition cost of Massawa (note 5a) and recorded against borrowings (note 21c), respectively.

17. MINING INTERESTS

	Land, building, plant and equipment						
	Sabodala-Massawa and Corporate	Wahgnion	Wahgnion construction in progress	Mine development costs subject to depreciation	Mine development costs not yet subject to depreciation	Right-of-use assets	Total
Cost							
Balance as at January 1, 2018	**464,061**	**3,049**	**7,271**	**484,990**	**71,511**	**—**	**1,030,882**
Additions[ii]	10,112	14,415	128,249	51,431	39,421	—	**243,628**
Disposals	(57)	—	—	—	—	—	**(57)**
Balance as at December 31, 2018	**474,116**	**17,464**	**135,520**	**536,421**	**110,932**	**—**	**1,274,453**
Initial application of IFRS 16	—	—	—	—	—	5,179	**5,179**
Additions[ii]	22,368	20,701	68,055	42,456	44,025	7,465	**205,070**
Disposals[vi]	(2,500)	—	—	—	—	—	**(2,500)**
Transfers[iii]	—	201,761	(201,761)	75,495	(75,495)	—	—
Balance as at December 31, 2019	**493,984**	**239,926**	**1,814**	**654,372**	**79,462**	**12,644**	**1,482,202**
Additions[ii][iv]	32,773	16,751	—	53,556	564,794	811	668,685
Disposals	(9,423)	—	—	—	—	—	(9,423)
Transfers[v]	—	1,814	(1,814)	547,482	(547,482)	—	—
Balance as at December 31, 2020	**517,334**	**258,491**	**—**	**1,255,410**	**96,774**	**13,455**	**2,141,464**
Accumulated depreciation and impairment charges							
Balance as at January 1, 2018	**293,041**	**827**	**—**	**222,681**	**—**	**—**	**516,549**
Depreciation expense	25,898	1,649	—	38,852	—	—	**66,399**
Disposals	(45)	—	—	—	—	—	**(45)**
Balance as at December 31, 2018	**318,894**	**2,476**	**—**	**261,533**	**—**	**—**	**582,903**
Depreciation expense	27,164	1,956	—	45,711	—	2,950	**77,781**
Disposals[vi]	(1,971)	—	—	—	—	—	(1,971)
Balance as at December 31, 2019	**344,087**	**4,432**	**—**	**307,244**	**—**	**2,950**	**658,713**
Depreciation expense	19,279	29,867	—	77,283	—	3,688	130,117
Disposals	(6,006)	—	—	—	—	—	(6,006)
Impairment reversal (note 8)	(12,566)	—	—	(19,124)	—	—	(31,690)
Balance as at December 31, 2020	**344,794**	**34,299**	**—**	**365,403**	**—**	**6,638**	**751,134**
Net book value							
Balance as at December 31, 2018[i]	**155,222**	**14,988**	**135,520**	**274,888**	**110,932**	**—**	**691,550**
Balance as at December 31, 2019[i]	**149,897**	**235,494**	**1,814**	**347,128**	**79,462**	**9,694**	**823,489**
Balance as at December 31, 2020[i]	**172,540**	**224,192**	**—**	**890,007**	**96,774**	**6,817**	**1,390,330**

(i) Balance as at December 31, 2020 includes: $380.0 million (2019: $383.4 million; 2018: $249.1 million) of costs associated with Wahgnion, $993.1 million (2019: $423.4 million; 2018: $426.1 million) of costs associated with Sabodala-Massawa (includes mineral property acquired in the Massawa Acquisition, refer to note 5a), $14.4 million (2019: $14.6 million; 2018: $14.4 million) of costs associated with Afema and $2.8 million (2019: $2.1 million; 2018: $2.0 million) of cost associated with other projects.

(ii) Total borrowing costs capitalized as a component of mine development during the year ended December 31, 2020 was $17.0 million (2019: $22.0 million; 2018: $3.1 million).

(iii) On November 1, 2019, Wahgnion achieved commercial production at which point development expenditures were subject to depreciation.

(iv) Includes $520.6 million acquired in the Massawa Acquisition (note 5a).

(v) On September 1, 2020, Massawa achieved commercial production at which point the Massawa Acquisition costs and development expenditures related to the Sofia Main deposit were subject to depreciation.

(vi) Disposal represent dully depreciated mobile equipment written-off and donation of Sounkounkou camp to the government of Senegal.

Right-of-use assets are leases with lease terms greater than twelve months. The Company's most significant leases relate to laboratory services, and a fuel and lubricant depot at Wahgnion which have remaining terms of 42 months and 46 months, respectively. The Company's other leases relate to its corporate offices and other equipment in Canada, Senegal, Burkina Faso and Côte d'Ivoire. These leases have an average term of 35 months.

18. DEFERRED TAX ASSETS/(LIABILITIES)

The deferred tax assets balance reported on the balance sheet and relating to Sabodala-Massawa is comprised of the following:

	As at December 31,		
	2018	2019	2020
Deferred tax assets			
Unrealized foreign exchange	1,787	5,612	—
Mining interests	7,669	2,828	8,922
Other	287	443	1,082
Deferred tax liabilities			
Unrealized foreign exchange	—	—	(7,705)
Total Deferred Tax Assets	**9,743**	**8,883**	**2,299**

The deferred tax assets/(liabilities) balance reported on the balance sheet and relating to Wahgnion is comprised of the following:

	As at December 31,		
	2018	2019	2020
Deferred tax assets			
Unrealized foreign exchange	237	770	—
Mining interests	2,207	—	—
Loss carry forwards	—	1,130	—
Other	—	111	346
Deferred tax liabilities			
Unrealized foreign exchange	—	—	(6,635)
Mining interests	—	(419)	(4,535)
Total Deferred Tax Assets/(Liabilities)	**2,444**	**1,592**	**(10,824)**

Unrecognized Deferred Tax Assets

Deferred tax assets such as tax loss carry-forwards, mining interests, share issuance costs and transaction costs are recognized as assets to the extent that the realization of the related tax benefit through future taxable profits is probable.

	As at December 31,		
	2018	2019	2020
Deferred tax assets not recognized			
Share issuance and transaction costs	286	108	3,331
Loss carry forwards	21,738	30,062	41,284
Mining interests	1,051	1,524	1,631
Other	2,205	3,064	14,529
Total Deferred Tax Assets not Recognized	**25,280**	**34,758**	**60,775**

Deferred tax liabilities have not been recognized for the withholding tax and other taxes on the unremitted earnings of certain subsidiaries as these amounts will not be distributed in the foreseeable future. Unremitted earnings totaled $700.5 million at December 31, 2020 (2019: $533.7 million; 2018: $493.0 million).

18. DEFERRED TAX ASSETS/(LIABILITIES) (Continued)

As at December 31, 2020, the tax losses not recognized by the Company and their associated expiry dates are as follows:

	Expiry Date	As at December 31, 2018	2019	2020
Tax losses—gross				
Canada	2030–2040	81,606	113,228	154,061
Mauritius	2021–2025	220	248	481
Burkina Faso	Indefinite	—	6,457	—
Australia	Indefinite	225	35	1,278
Total Tax Losses not Recognized		**82,051**	**119,968**	**155,820**

19. TRADE AND OTHER PAYABLES

	As at December 31, 2018	2019	2020
Current			
Trade payables[(i)]	26,427	46,264	43,096
Sundry creditors and accrued expenses	37,132	31,824	49,604
Government royalties[(ii)(iii)]	3,930	5,713	13,091
Amounts payable to the government of Senegal[(iv)(v)(vi)]	9,886	9,886	10,332
Amounts payable to the government of Burkina Faso[(vii)]	—	467	996
Other[(ix)]	534	555	416
Total Current Trade and Other Payables	**77,909**	**94,709**	**117,535**
Non-Current			
Sundry creditors and accrued expenses	798	671	2,250
Amounts payable to the government of Senegal[(viii)]	8,150	8,055	8,349
Other[(ix)]	2,297	—	—
Total Other Non-Current Liabilities	**11,245**	**8,726**	**10,599**
Total Trade and Other Payables	**89,154**	**103,435**	**128,134**

(i) Trade payables are comprised of obligations by the Company to suppliers of goods and services. Terms are generally 30 to 60 days.

(ii) In Senegal, government royalties are accrued at a rate of 5 percent of sales based on the mine head value of the gold and related substances produced, which was XOF 4,087.7 million ($7.7 million) as of December 31, 2020 (2019: XOF 2,087.9 million ($3.6 million); 2018: XOF 2,256.0 million ($3.9 million)). For the year ended December 31, 2020, royalty payments totalling $16.6 million (2019: $16.2 million; 2018: $16.0 million) was paid to the government of Senegal. As the advanced royalty payments to the government of Senegal has been fully amortized, the Company has begun accruing additional amounts based on the excess of the initial payments and the actual cumulative production from the former OJVG deposits, net of mining royalties, multiplied by the Company's weighted average gold prices. As at December 31, 2020, $1.8 million has been accrued (2019: $nil; 2018: $nil).

(iii) In Burkina Faso, government royalties are accrued at a rate of 5 percent of gold sales based on the current spot price of gold, which was XOF 1,953.9 million ($3.6 million) (2019: XOF 1,261.9 million ($2.1 million); 2018: $nil) as at December 31, 2020. For the year ended December 31, 2020, royalty payments totalling $14.8 million (2019: $0.4 million; 2018: $nil) had been paid to the government of Burkina Faso.

(iv) A reserve payment is payable to the government of Senegal based on $6.50 for each ounce of new reserves until December 31, 2012. As at December 31, 2020, $2.1 million remains accrued as a current liability (2019: $2.1 million; 2018: $2.1 million).

(v) The Company has agreed to advance accrued dividends to the government of Senegal related to its interest in Sabodala. As at December 31, 2020, $7.8 million (2019: $7.8 million; 2018: $7.8 million) has been accrued based on net sales revenue for each of the twelve months ended December 31, 2013 and December 31, 2014. No additional amounts are owing on sales occurring beyond 2014.

19. TRADE AND OTHER PAYABLES (Continued)

(vi) Pursuant to the Massawa mining convention, an amount equal to 0.5 percent of annual turnover (before tax) is to be contributed for social development projects of local authorities hosting Massawa. As at December 31, 2020, $0.4 million (2019: $nil; 2018: $nil) has been accrued. No payments have been made during the year ended December 31, 2020 (2019: $nil; 2018: $nil).

(vii) Pursuant to the 2015 Burkina Faso Mining Code, an amount equal to 1 percent of monthly turnover (before tax) is to be contributed to the mining fund for local development ("FDML"). As at December 31, 2020, $1.0 million (2019: $0.5 million; 2018: $nil) has been accrued. During the year ended December 31, 2020, the Company paid $2.7 million to the FDML (2019: $nil; 2018: $nil).

(viii) The Company agreed to establish a social development fund which involves making a payment of $15.0 million to the government of Senegal at the end of the Sabodala's operational life. It is recorded at its net present value of $8.3 million (2019: $8.1 million; 2018: $8.2 million).

(ix) In 2014, the Company acquired Badr Investment Ltd.'s ("Badr") 13 percent carried interest in the OJVG for cash consideration of $7.5 million and further contingent consideration which will be based on realized gold prices and increases to the former OJVG's mining reserves through 2020, of which $3.8 million was accrued upon finalization of the purchase price allocation in 2014. In June 2018, the Company made an advance payment of $0.1 million to Badr. During the year ended December 31, 2019, the Company made a payment of $0.1 million to Badr as a result of an update to Sabodala's mineral reserves and re-measured the contingent consideration based on anticipated increases to OJVG's mining reserves through 2020 and recognized a $2.2 million adjustment. The total contingent consideration due to Badr of $0.4 million has been recorded as a current liability (2019: $0.6 million as a current liability; 2018: $0.5 million as current liability and $2.3 million as non-current liability).

20. SUBSCRIPTION RECEIPTS LIABILITY

On December 18, 2019, the Company completed the Offering of 27.5 million Subscription Receipts at C$5.10 per Subscription Receipt for gross proceeds of C$140 million ($106.3 million). Net proceeds from the Offering were used to fund a portion of the Upfront Consideration for the Massawa Acquisition (note 5a) with the balance of the proceeds to be used for exploration drilling across the Company's portfolio, transaction costs related to the Massawa Acquisition and for working capital purposes. Each Subscription Receipt represented the right of the holder to receive, upon satisfaction or waiver of the Release Conditions, without payment of additional consideration, one common share of the Company. When the Release Conditions were satisfied on March 4, 2020, each Subscription Receipt was converted into one common share of the Company on the same date (note 27).

21. BORROWINGS

	As at December 31, 2020			
	Wahgnion Facility	Equipment Finance Facility	Massawa Facility	Total
Principal outstanding	148,935	8,914	214,616	372,465
Deferred financing costs	(10,297)	(213)	(39,331)	(49,841)
Total Borrowings	**138,638**	**8,701**	**175,285**	**322,624**
Current portion	32,500	1,875	—	34,375
Non-current portion	106,138	6,826	175,285	288,249
Total Borrowings	**138,638**	**8,701**	**175,285**	**322,624**
Deferred Financing Costs				
Financing costs	13,718	365	15,424	29,507
Gold offtake payment liabilities (note 26d)	14,015	—	29,832	43,847
Share warrants issued (note 26e)	3,105	—	—	3,105
Call-rights issued (note 26f)	—	—	9,385	9,385
Accumulated amortization of deferred financing costs	(20,541)	(152)	(15,310)	(36,003)
Total Deferred Financing Costs	**10,297**	**213**	**39,331**	**49,841**

21. BORROWINGS (Continued)

	As at December 31, 2019		
	Wahgnion Facility	Equipment Finance Facility	Total
Principal outstanding	193,500	8,133	201,633
Deferred financing costs	(19,560)	(298)	(19,858)
Total Borrowings	**173,940**	**7,835**	**181,775**
Current portion	41,500	1,406	42,906
Non-current portion	132,440	6,429	138,869
Total Borrowings	**173,940**	**7,835**	**181,775**
Deferred Financing Costs			
Financing costs	13,289	351	13,640
Gold offtake payment liabilities (note 26d)	14,015	—	14,015
Share warrants issued (note 26e)	3,298	—	3,298
Accumulated amortization of deferred financing costs	(11,042)	(53)	(11,095)
Total Deferred Financing Costs	**19,560**	**298**	**19,858**

	As at December 31, 2018	
	Wahgnion Facility	Total
Principal outstanding	112,200	112,200
Deferred financing costs	(25,103)	(25,103)
Total Borrowings	**87,097**	**87,097**
Current portion	—	—
Non-current portion	87,097	87,097
Total Borrowings	**87,097**	**87,097**
Deferred Financing Costs		
Financing costs	12,278	12,278
Gold offtake payment liabilities (note 26d)	14,015	14,015
Share warrants issued (note 26e)	3,105	3,105
Accumulated amortization of deferred financing costs	(4,295)	(4,295)
Total Deferred Financing Costs	**25,103**	**25,103**

a. Wahgnion Facility

On April 16, 2018, the Company entered into the Wahgnion Facility. The Wahgnion Facility consisted of two tranches to fund the development and advancement of the Company's projects in Burkina Faso. The first tranche consisted of $165 million used to fund the development of Wahgnion ("Wahgnion Tranche") and to repay all of the Company's outstanding debt drawn on the revolving credit facility with Société Générale. The second tranche consisted of $25 million to be used towards the advancement of a feasibility study for the Golden Hill Project ("Golden Hill Tranche"). The Golden Hill Tranche was increased by an additional $10 million to $35 million in October 2018 to fund the acquisition of the remaining 49 percent interest in Golden Hill and Gourma exploration projects from Boss Resources Limited for total consideration of AUD 10 million ($7.2 million).

Both tranches bore an interest rate of 8.75 percent per annum on the drawn amount, paid quarterly in arrears. Early repayment was permitted at any time without penalty. Principal repayments of the Wahgnion Tranche were calculated quarterly beginning March 31, 2020 and subsequently on each repayment date, as detailed below, with the balance due on December 31, 2022. The repayment amount is the greater of: (i) the fixed repayment amount, as detailed below, or (ii) 65 percent of operating revenues less operating costs of Sabodala-Massawa and Wahgnion, which includes capital costs and corporate overheads. On each repayment

21. BORROWINGS (Continued)

date, if operating revenues less operating costs are less than or equal to zero, and there is no scheduled fixed repayment, then no payment shall be made.

On February 26, 2019, the Company and Taurus Funds entered into an amending agreement whereby $25 million of the Golden Hill Tranche was temporarily repurposed and made available for Wahgnion's development costs. Drawdowns, if any, under the repurposed Golden Hill Tranche are to be repaid no later than September 30, 2019, at which point the Golden Hill Tranche reverts back to its original purpose. On May 30, 2019, the Company made a drawdown of $14.0 million under the repurposed Golden Hill Tranche. On March 9, 2020, the Company fully repaid $14.0 million drawn under the repurposed Golden Hill Tranche. The repaid amounts remain available for use towards the advancement of a feasibility study for the Golden Hill Project.

The Company granted a total of 3.7 million share warrants (2.0 million in 2018 and 1.7 million in 2019) to Taurus Funds as part of the Wahgnion Facility agreement. Each warrant allowed the holder to acquire common shares of the Company at a predetermined exercise price (note 26e). On closing of the Combination (note 1), the share warrants were exchanged for replacement warrants to purchase common shares of Endeavour at a ratio of 0.47 Endeavour share warrant for each Teranga share warrant at an adjusted exercise price.

At December 31, 2020, the Wahgnion Tranche's fixed portion repayment schedule was as follows:

Repayment date	Fixed repayment amount
January 31, 2021	7,500
April 30, 2021	7,500
July 31, 2021	7,500
October 31, 2021	10,000
January 31, 2022	10,000
April 30, 2022	10,000
July 31, 2022	10,000
October 31, 2022	10,000
December 31, 2022	60,435
Total fixed repayment	**132,935**

The principal repayment of the Golden Hill Tranche was due on December 31, 2022. A commitment fee of 2.5 percent on undrawn balances is due quarterly in arrears.

As at December 31, 2020, $132.9 million was drawn on the Wahgnion Tranche and $16.0 million was drawn on the Golden Hill Tranche (2019: $165.0 million was drawn on the Wahgnion Tranche and $28.5 million was drawn on the Golden Hill Tranche; 2018: $102.2 million was drawn on the Wahgnion Tranche and $10.0 million was drawn on the Golden Hill Tranche).

On January 29, 2021, the Company made a cash sweep payment of $27.6 million. On closing of the Combination (note 1), the remaining balance of the Wahgnion Facility was fully repaid as part of the debt refinancing package by Endeavour.

b. Equipment Finance Facility

On March 5, 2019, the Company entered into an equipment finance facility with Caterpillar Financial Services Corporation (the "CAT Facility") for $12.5 million to fund a portion of the mobile mining equipment and power generators for Wahgnion.

The CAT Facility bore interest at the London Inter-bank Offered Rate ("LIBOR") plus 5.1 percent per annum to be paid quarterly in arrears. Principal repayments are due over 5 years in equal quarterly installments commencing on the date of each drawdown. Early repayment is permitted at each interest payment date upon a prepayment fee of 1 percent.

As at December 31, 2020, the CAT Facility was fully drawn and $8.9 million (2019: $8.1 million; 2018: $nil) remained outstanding.

21. BORROWINGS (Continued)

On February 19, 2021, the CAT Facility was fully repaid.

c. Massawa Facility

On December 9, 2019, the Company entered into the $225 million Massawa Facility with Taurus Funds and Barrick to finance a portion of the Massawa Acquisition (note 5a).

The Massawa Facility bore interest at 7.85 percent per annum, paid quarterly in arrears. Quarterly principal repayment calculations began on the first quarterly calculation date of June 30, 2020 based on cash sweeps with the balance due on December 31, 2022 with early repayment permitted at any time without penalty. Cash sweeps are equal to 50 percent of cash available, after deducting amounts required to be paid under the Wahgnion Tranche, and calculated as Wahgnion and Sabodala-Massawa's operating revenues less operating costs during the same period. Payments, if any, are due 30 days after the end of each reporting period.

As part of the Massawa Facility, the Company entered into a gold offtake agreement for Massawa's life of mine gold production. Refer to note 26d for details.

At completion of the Massawa Acquisition, the Massawa Facility was fully drawn down (note 5a) and Taurus Funds was granted four million unlisted equity participation certificates over the Company's common shares that can be exercised at any time up to four years after March 4, 2020, at Taurus Funds' discretion, at an exercise price of C$7.00 per Teranga share (the "Call-Rights"). Refer to note 26f for details.

On closing of the Combination (note 1), the remaining balance of the Massawa Facility was fully repaid as part of the debt refinancing package by Endeavour.

22. GOLD STREAM LIABILITY

On January 15, 2014, the Company completed the Stream Agreement with Franco-Nevada in exchange for a deposit of $135 million. The Company was required to deliver 22,500 ounces of gold annually which ended on December 31, 2019, and at which point the initial deposit was considered to have been repaid. The Company is now required to deliver 6 percent of production from the Company's existing properties in Senegal (excluding Massawa).

For accounting purposes, the Stream Agreement is considered a contract for the future delivery of gold ounces at the contracted price. The up-front payment of $135 million was accounted for as a prepayment of undelivered ounces under the contract and is recorded as a gold stream liability.

For ounces of gold delivered to Franco-Nevada under the Stream Agreement, Franco-Nevada pays the Company cash at the prevailing spot price of gold at the date of delivery on 20 percent of the ounces delivered. For the remaining 80 percent of the ounces delivered to Franco-Nevada, the gold stream liability balance is drawn down based on the contracted price as determined under IFRS 15, *Revenue from Contracts with Customers*. The gold stream liability is remeasured based on estimates of expected delivery of gold ounces to Franco-Nevada priced at 80 percent of $1,250 per ounce of gold. Any future changes in timing, quantities and gold prices will result in an update to the liability balance.

On September 25, 2020, the Company and Franco-Nevada formalized an amendment to the Stream Agreement confirming the Company's full discretion regarding the processing priority for either Sabodala or Massawa ore without any Massawa ore becoming subject to the Stream Agreement. As part of this amendment, the Company will deliver 783 ounces per month beginning September 1, 2020 until 105,750 ounces have been delivered to Franco-Nevada (the "Fixed Delivery Period") based on the Sabodala standalone life of mine plan prior to the Massawa Acquisition. At the end of the Fixed Delivery Period, any difference between total gold ounces delivered during the Fixed Delivery Period and 6 percent of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6 percent of production from the Company's existing properties in Senegal (excluding Massawa). During the year ended December 31, 2020, the change in future expected deliveries under the gold stream arrangement resulted in a re-measurement decrease of $4.3 million to the gold stream liability with a corresponding increase to revenue.

22. GOLD STREAM LIABILITY (Continued)

During the year ended December 31, 2020, the Company delivered 12,164 ounces of gold to Franco-Nevada (2019: 21,140 ounces; 2018: 22,500 ounces) and recorded revenue of $19.9 million, consisting of $4.3 million received in cash proceeds, $12.2 million recorded as a reduction of the gold stream liability, and a $3.4 million increase from re-measurement of the gold stream liability (2019: revenue of $28.1 million, consisting of $5.9 million received in cash proceeds and $22.2 million recorded as a reduction of the gold stream liability; 2018: revenue of $28.2 million, consisting of $5.7 million received in cash proceeds and $22.5 million recorded as a reduction of the gold stream liability).

	Amount
Balance as at January 1, 2018	**102,305**
Accretion of gold stream liability	8,957
Amortization of gold stream liability	(22,500)
Balance as at December 31, 2018	**88,762**
Accretion of gold stream liability	7,614
Re-measurement of gold stream liability	(1,108)
Amortization of gold stream liability	(21,140)
Balance as at December 31, 2019	**74,128**
Accretion of gold stream liability	6,442
Re-measurement of gold stream liability	(3,385)
Amortization of gold stream liability	(12,164)
Balance as at December 31, 2020	**65,021**

	As at December 31,		
	2018	2019	2020
Current	14,860	7,158	3,494
Non-Current	73,902	66,970	61,527
Total Gold Stream Liability	**88,762**	**74,128**	**65,021**

23. PROVISIONS

	As at December 31,		
	2018	2019	2020
Current			
Mine restoration and rehabilitation[(i)]	370	2,119	688
Cash settled share-based compensation[(ii)]	4,055	7,893	13,761
Other[(iii)]	—	—	2,168
Total Current Provisions	**4,425**	**10,012**	**16,617**
Non-Current			
Mine restoration and rehabilitation[(i)]	33,735	48,427	55,299
Cash settled share-based compensation[(ii)]	795	1,615	1,929
Other[(iii)]	—	—	1,614
Total Non-Current Provisions	**34,530**	**50,042**	**58,842**
Total Provisions	**38,955**	**60,054**	**75,459**

(i) The mine restoration and rehabilitation provision represents the present value of rehabilitation costs relating to Sabodala-Massawa and Wahgnion which are expected to be incurred up to 2046 and 2039, respectively. The non-current provision includes $37.4 million (2019: $32.9 million; 2018: $27.5 million) for Sabodala-Massawa and $17.9 million (2019: $15.6 million; 2018: $6.2 million) for Wahgnion. The provision has been recorded based on estimates and assumptions which management believe are a reasonable basis to estimate the future liability. The estimates are reviewed regularly to take into account any material changes to the rehabilitation work required. Actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation work required that will reflect prevailing market conditions at that time. During the year ended December 31, 2020, the Company contributed $1.4 million (2019: $nil; 2018: $nil) to the EIF in Burkina Faso for future mine rehabilitation and closure costs at Wahgnion.

23. PROVISIONS (Continued)

The change in the mine restoration and rehabilitation provision is detailed below:

	As at December 31,		
	2018	2019	2020
Balance at beginning of the year	**27,510**	**34,105**	**50,546**
Revisions in estimates and obligations incurred	6,896	17,377	6,189
Accretion	220	175	49
Rehabilitation work performed	(521)	(1,111)	(797)
Balance as at end of year	**34,105**	**50,546**	**55,987**

(ii) The provision for cash settled share-based compensation represents the fair values of vested RSUs and DSUs. Refer to note 35 for further details.

The change in the cash settled share-based compensation provision is detailed below:

	As at December 31,		
	2018	2019	2020
Balance at beginning of the year	**3,632**	**4,850**	**9,508**
Amortization and change in fair value of RSUs	2,709	4,141	6,447
Amortization and change in fair value of DSUs	1,018	2,527	4,516
Amortization and change in fair value of FSUs	4	260	12
Payments	(2,149)	(2,510)	(5,332)
Foreign exchange revaluation	(364)	240	539
Balance as at end of year	**4,850**	**9,508**	**15,690**

(iii) Includes a social liability provision assumed from the Massawa Acquisition which represented the present value of estimated costs for social commitments for employment, local development and livelihood restoration included in the Environmental and Social Impact Assessment for Massawa approved by the government of Senegal, which were determined to be constructive obligations.

24. LEASE LIABILITIES

Lease liabilities are measured at the present value of the future lease payments net of any cash incentives receivable at the balance sheet date. Lease payments are apportioned between finance charges and the reduction of the liability. Finance charges are based on the lease specific incremental borrowing rate at the commencement date of the lease. The incremental borrowing rate differs between each category of asset, location of asset and the duration of the lease. Lease payments for leases over buildings exclude service costs and property taxes.

The carrying amounts of lease liabilities and movements during the period are:

	Amount
Initial application of IFRS 16—January 1, 2019	**5,179**
Additions	7,385
Accretion of interest	390
Lease payments	(3,239)
Foreign exchange loss	32
Balance as at December 31, 2019	**9,747**
Additions	537
Accretion of interest	579
Lease payments	(4,003)
Foreign exchange loss	352
Balance as at December 31, 2020	**7,212**

24. LEASE LIABILITIES (Continued)

	As at December 31,	
	2019	2020
Current	3,805	2,674
Non-Current	5,942	4,538
Total Lease Liabilities	**9,747**	**7,212**

The following are the amounts recognized in profit and loss:

	For the years ended December 31,	
	2019	2020
Depreciation expense for right-of-use assets	2,661	3,688
Interest expense on lease liabilities	390	579
Expense related to short-term leases	12,423	30,549
Variable lease payments	3,826	10,868
Rental income from subleases	(103)	(109)
Total Amount Recognised in Profit or Loss	**19,197**	**45,575**

The maturity analyses of lease liabilities are disclosed in note 29.

25. DEFERRED REVENUE

As at December 31, 2019, the amount represented 10,000 ounces of gold at an average price of $1,438 per ounce (2018: nil).

26. OTHER FINANCIAL LIABILITIES

	As at December 31,		
	2018	2019	2020
Gold forward sales contracts	—	10,722	—
Gold collars	—	—	3,465
Gold call options	—	64	—
Gold offtake payment liabilities	13,699	15,358	46,166
Share warrant liabilities	1,969	9,406	26,672
Call-Rights	—	—	25,936
Contingent consideration	—	—	45,266
Total Other Financial Liabilities	**15,668**	**35,550**	**147,505**

	As at December 31,		
	2018	2019	2020
Current	—	13,320	36,755
Non-Current	15,668	22,230	110,750
Total Other Financial Liabilities	**15,668**	**35,550**	**147,505**

a. Gold forward sales contracts

On May 28, 2020, the Company completed a restructuring transaction to terminate 25,500 ounces of gold forward sales contracts originally settling in the second and third quarters 2020 at forward prices of $1,318 and $1,330 per ounce (the "Restructuring") and crystallized losses on 25,500 ounces of gold forward sales contracts at $1,714 per ounce. As a result of the Restructuring, the Company recognized a realized loss on derivative instruments of $10.3 million.

26. OTHER FINANCIAL LIABILITIES (Continued)

As at December 31, 2020, the Company had nil ounces (2019: 51,000; 2018: 81,500 ounces) of outstanding gold forward sales contracts with a fair value liability of $nil (2019: liability of $10.7 million; 2018: asset of $4.4 million) as follows:

	As at December 31, 2019	
Volume (oz.)	Forward Price	Settlement Period
25,500	1,330	Q1 2020
25,500	1,330	Q2 2020

	As at December 31, 2018	
Volume (oz.)	Forward Price	Settlement Period
25,000	1,341	Q1 2019
26,500	1,350	Q2 2019
30,000	1,350	Q3 2019

During the year ended December 31, 2020, the Company did not enter into any gold forward sales contracts (2019: 25,000 ounces; 2018: 56,500 ounces), settled 51,000 ounces (2019: 55,500 ounces; 2018: 106,000 ounces) of gold forward sales contracts, and recognized $17.7 million of realized losses (2019: $0.4 million of realized gains; 2018: $6.7 million of realized gains) and $10.7 million of unrealized gains (2019: $15.1 million of unrealized losses; 2018: $2.6 million of unrealized gains).

b. Gold collars

On May 28, 2020, as part the Restructuring, the Company entered into 25,500 ounces of gold collars with deferred premium payments of $402 to $408 per ounce to defer settlement of the Restructuring to the fourth quarter 2020 and first quarter 2021. As at December 31, 2020, deferred premiums payments totalling $3.5 million has been included in the fair value of the gold collars.

During the year ended December 31, 2020, 17,000 ounces of gold collars (2019: nil; 2018: nil) expired un-exercised. The change in fair value of outstanding gold collars since May 28, 2020 was immaterial.

As at December 31, 2020, the Company had outstanding gold collars as follows:

	As at December 31, 2020		
Volume (oz.)	Floor Price	Ceiling Price	Settlement Period
8,500	1,500	1,962	Q1 2021

In January 2021, 8,500 ounces of gold collars expired un-exercised and the Company settled deferred premiums of $3.5 million.

c. Gold call options

In conjunction with the extension of the gold prepayment facility with a customer, on December 20, 2019, the Company provided a gold call option to purchase 5,000 ounces of gold at a price of $1,600 per ounce with an expiry date of March 19, 2020. The gold call option expired un-exercised.

On April 21, 2020, in connection with the advance under the gold prepayment facility (see note 25), the Company provided a gold call option to purchase 5,000 ounces of gold at a price of $1,790 per ounce with an expiry date of August 28, 2020. On August 28, 2020, the gold call option was exercised resulting in $0.8 million realized loss on gold call options, representing the difference between the market price and strike price.

On August 6, 2020, in connection with an advance under the gold prepayment facility (see note 25), the Company provided a gold call option to purchase 5,000 ounces of gold at a price of $2,115 per ounce with an expiry date of December 28, 2020. The gold call option expired un-exercised.

26. OTHER FINANCIAL LIABILITIES (Continued)

During the year ended December 31, 2020, the Company recognized unrealized gains of $64 thousand and realized losses of $0.8 million on gold call options (2019: unrealized losses of $64 thousand and realized losses of $nil).

d. Gold offtake payment liabilities

	Wahgnion Gold Offtake	Massawa Gold Offtake	Total
Balance as at January 1, 2018			
Inception of Wahgnion Gold Offtake	14,015	—	14,015
Change in fair value during the year	(316)	—	(316)
Balance as at Balance as at December 31, 2018	**13,699**	**—**	**13,699**
Change in fair value during the year	2,177	—	2,177
Offtake payment during the year	(518)	—	(518)
Balance as at December 31, 2019	**15,358**	**—**	**15,358**
Inception of Massawa Gold Offtake	—	29,832	29,832
Change in fair value during the year	2,144	7,156	9,300
Offtake payment during the year	(6,605)	(1,719)	(8,324)
Balance as at December 31, 2020	**10,897**	**35,269**	**46,166**

	As at December 31,		
	2018	2019	2020
Current	—	2,534	7,354
Non-Current	13,699	12,824	38,812
Total Gold Offtake Payment Liabilities	**13,699**	**15,358**	**46,166**

Wahgnion Gold Offtake

In conjunction with the Wahgnion Facility, the Company entered into a gold offtake payment agreement with Taurus Funds on May 31, 2018 (the "Wahgnion Gold Offtake"). Under the terms of the Wahgnion Gold Offtake, Taurus Funds is entitled to an amount equal to the difference between the actual spot sales price per ounce and the lowest a.m. and p.m. London Bullion Market Association ("LBMA") gold price per ounce during the eight business days preceding the sale date for gold ounces produced and sold from Wahgnion, up to 1,075,000 ounces. Sales proceeds received by Teranga will be reduced by any amounts owed to Taurus Funds under the agreement. Taurus Funds does not take physical delivery of gold ounces. The Company is under no obligation to physically deliver gold ounces to Taurus Funds.

The Company has the option to terminate the Wahgnion Gold Offtake (the "Wahgnion Offtake Prepayment Option") by paying Taurus Funds the net present value (applying an 8.75 percent annual discount rate, and assuming gold deliveries on a straight line basis for the initial 12 years of mine life commencing from the date of first production) of $20 per ounce multiplied by the number of outstanding gold ounces remaining under the Wahgnion Gold Offtake.

During the year ended December 31, 2020, the Company sold 181,193 ounces, (2019: 34,447 ounces; 2018: nil ounces) from Wahgnion resulting in payments of $6.6 million (2019: $0.5 million; 2018: $nil).

The Wahgnion Gold Offtake was classified as a derivative financial liability as the amount due to Taurus Funds is variable and determined based on the price spread between the spot price of gold on the date of sale and the lowest spot price of gold over periods of time in the future. As a result, the Wahgnion Gold Offtake is recorded at fair value at the end of each reporting period. The Company has estimated the fair value of the Wahgnion Gold Offtake as the lower of i) the Wahgnion Offtake Prepayment Option, and ii) using a discounted cash flow model based on Wahgnion's remaining life-of-mine production and a discount rate representing the weighted average cost of capital of Wahgnion.

26. OTHER FINANCIAL LIABILITIES (Continued)

As at December 31, 2020, the fair value of the Wahgnion Gold Offtake was measured based on the Wahgnion Offtake Prepayment Option. Key inputs used in the valuation at each period were:

	As at December 31,		
	2018	2019	2020
Valuation basis	Discounted cash flow	Discounted cash flow	Prepayment Option
Number of gold ounces outstanding	1,075,000	1,040,553	859,360
Per ounce price spread	20	20	20
Discount rate	9.0%	7.4%	8.8%

Massawa Gold Offtake

In connection with the financing of the Massawa Acquisition, Teranga entered into a gold offtake agreement with Taurus Funds on March 4, 2020 (the "Massawa Gold Offtake"). The Massawa Gold Offtake was held in escrow and was dated, executed and delivered to Taurus Funds upon drawdown of the Massawa Facility on completion of the Massawa Acquisition.

Under the terms of the agreement, Taurus Funds is entitled to an amount equivalent to the difference between the highest market bid price available on the open market at the time of such gold sale on each sale date and the lowest a.m. and p.m. LBMA gold price per ounce, during the eight business days preceding the sale date, for gold ounces produced over the life of Massawa.

The Company has the option to terminate the Massawa Gold Offtake (the "Massawa Offtake Prepayment Option") by paying Taurus Funds the net present value (applying an 8.75 percent annual discount rate, and assuming gold deliveries on a straight line basis over the life of Massawa) of $20 per ounce multiplied by the number of outstanding gold ounces remaining under the Massawa Gold Offtake.

During the year ended December 31, 2020, the Company sold 44,834 ounces (2019: nil ounces; 2018: nil ounces) from Massawa resulting in payments of $1.7 million (2019: $nil; 2018: $nil).

The Massawa Gold Offtake was classified as a derivative financial liability as the amount due to Taurus Funds is variable and determined based on the price spread between the spot price of gold on the date of sale and the lowest spot price of gold over periods of time in the future. As a result, the Massawa Gold Offtake is recorded at fair value at the end of each reporting period. The Company has estimated the fair value of the Massawa Gold Offtake as the lower of i) the Massawa Offtake Prepayment Option, and ii) using a discounted cash flow model based on Massawa's life-of-mine production, and a discount rate representing the weighted average cost of capital of Sabodala-Massawa.

As at December 31, 2020, the fair value of the Massawa Gold Offtake was measured based on the Massawa Offtake Prepayment Option. Key inputs used in the valuation at each period were:

	As at March 4, 2020	As at December 31, 2020
Valuation basis	Discounted cash flow	Prepayment Option
Estimated number of gold ounces outstanding	2,207,686	2,418,581
Per ounce price spread	20	20
Discount rate	8.8%	8.8%

e. Share warrant liabilities

The following share warrants were outstanding as at December 31, 2020:

Grant date	Number	Expiry date	Exercise price
16-Apr-18	2,000,000	16-Apr-22	$5.22
26-Feb-19	150,000	27-Feb-23	$5.08
30-May-19	1,400,000	30-May-23	$3.83
30-Sep-19	150,000	30-Sep-23	$6.49

26. OTHER FINANCIAL LIABILITIES (Continued)

The currency of the exercise price of the warrants is different from the Company's functional currency and as a result the share warrants have been classified as a derivative financial liability. Changes in fair value of share warrants are recognized in other (income)/expenses at the end of each reporting period. Upon exercise, the associated share warrant liability will be reclassified to share capital. Should any of the share warrants expire un-exercised, the associated share warrant liability will be recorded as other income in the consolidated statements of comprehensive income. There is no circumstance under which the Company would be required to pay any cash upon exercise or expiry of the warrants.

A reconciliation of the change in the fair values of share warrant liabilities is presented below.

	Number of warrants	Amount
Balance as at January 1, 2018	—	—
Granted during the year	2,000,000	3,105
Change in fair value of share warrant liabilities	—	(1,136)
Balance as at December 31, 2018	**2,000,000**	**1,969**
Granted during the year	1,700,000	1,678
Change in fair value of share warrant liabilities	—	5,759
Balance as at December 31, 2019	**3,700,000**	**9,406**
Change in fair value of share warrant liabilities	—	17,266
Balance as at December 31, 2020	**3,700,000**	**26,672**

Fair values of share warrants were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at December 31,		
	2018	2019	2020
Valuation date share price	C$4.03	C$7.02	C$13.66
Weighted average fair value of share warrants	C$1.34	C$3.32	C$9.19
Exercise price	C$5.22	C$3.83–C$6.49	C$3.83–C$6.49
Risk-free interest rate	1.85%	1.68%	0.20%–0.24%
Expected share market volatility	57%	46%–53%	55%–62%
Expected life of share warrants (years)	3.3	2.3–3.8	1.3–2.8
Dividend yield	0%	0%	0%
Number of share warrants exercisable	2,000,000	3,700,000	3,700,000

In connection with the Combination (note 1), the share warrants were exchanged for replacement warrants to purchase common shares of Endeavour at a ratio of 0.47 Endeavour share warrant for each Teranga share warrant at an adjusted exercise price.

f. Call-Rights

In connection with the Massawa Facility (note 21c), the Company granted Call-Rights with an exercise price of C$7.00 per Teranga share.

The Call-Rights are required to be settled in cash at the difference between Teranga's 5-day volume weighted average trading price on each exercise date and the exercise price of C$7.00. The Call-Rights were recorded as derivative financial liabilities as their value changes in line with Teranga's share price.

26. OTHER FINANCIAL LIABILITIES (Continued)

A reconciliation of the change in fair value of the Call-Rights liability is as follows:

	Number of Call Rights	Amount
Balance as at December 31, 2019	—	—
Granted during the period	4,000,000	9,385
Change in fair value during the year	—	16,551
Balance as at December 31, 2020	**4,000,000**	**25,936**

The fair value of Call-Rights was calculated using the Black-Scholes option pricing model with the following assumptions:

	As at March 4, 2020	As at December 31, 2020
Valuation date share price[(i)]	C$7.31	C$13.99
Fair value per Call-Right	C$3.13	C$8.26
Exercise price	C$7.00	C$7.00
Risk-free interest rate	0.89%	0.26%
Expected share market price volatility	53%	54%
Expected life of Call-Rights (years)	4.0	3.2
Dividend yield	0%	0%
Number of Call-Rights exercisable	4,000,000	4,000,000

(i) Represents 5-day volume weighted average trading price of the Company's common shares on the TSX.

In connection with the Combination (note 1), the number of Call-Rights was adjusted at a ratio of 0.47 Endeavour unit for each Teranga unit with a corresponding adjustment to the exercise price.

g. Contingent Consideration

The Company has classified the Contingent Consideration payable to Barrick as a derivative financial liability as the amount due is dependent on future gold prices over periods of time in the future. As at December 31, 2020, the Company estimated the fair value of the Contingent Consideration using a Monte Carlo simulation model based on the gold forward curve, expected volatility of 17.4 percent (March 4, 2020—12.7 percent), Teranga's credit spread of 3.3 percent (March 4, 2020—5.5 percent) and risk-free rate of 0.2 percent (March 4, 2020—0.8 percent).

On March 4, 2020, the fair value of the Contingent Consideration was estimated to be $31.5 million. As at December 31, 2020, the Company re-measured the Contingent Consideration based on an increase in historical and forward gold prices and gold price volatilities, and a decrease in Teranga's credit spread and the risk-free rate, which resulted in an increase in the liability of $13.8 million to $45.3 million recorded as a non-current liability (2019: $nil; 2018: $nil).

During the year ended December 31, 2020, the Company recognized unrealized losses of $13.8 million (2019: $nil; 2018: $nil).

h. Call option—Foreign exchange

As at December 31, 2019, the Company held a call option to sell US dollars and purchase C$40 million at a rate of 1.3235 with an expiry date of January 8, 2020. As at December 31, 2019, the call option had a fair value liability of nil and subsequently expired unexercised.

27. ISSUED CAPITAL

	Number of shares	Amount
Balance as at January 1, 2018	**107,343,902**	**496,333**
Exercise of stock options	242,867	924
Balance as at December 31, 2018	**107,586,769**	**497,257**
Exercise of stock options	99,508	385
Balance as at December 31, 2019	**107,686,277**	**497,642**
Shares issued from conversion of subscription receipts (note 20)	27,451,000	104,835
Shares issued from private placement[(i)]	11,677,942	44,598
Shares issued on acquisition of Massawa Gold Project[(ii)]	20,718,273	112,801
Share issuance costs	—	(6,425)
Exercise of stock options	55,778	497
Balance as at December 31, 2020	**167,589,270**	**753,948**

(i) On March 4, 2020, to finance part of the Upfront Consideration and upon completion of the Massawa Acquisition (note 5a), the Company also issued 11.7 million common shares at C$5.10 per common share or $44.6 million in a private placement to Tablo Corporation, an entity controlled by David Mimran, a director of the Company.

(ii) In connection with the Massawa Acquisition (note 5a), the Company issued 20.7 million common shares to Barrick and CSTTAO on March 4, 2020. The common shares were measured at $112.8 million, using a price of C$7.28 per common share, representing the closing market share price on the issuance date in accordance with IFRS 2.

28. EARNINGS/(LOSS) PER SHARE (EPS)

	For the years ended December 31,		
	2018	2019	2020
Basic earnings/(loss) per share	0.06	(0.41)	0.25
Diluted earnings/(loss) per share	0.06	(0.41)	0.24
Net profit/(loss) used in the calculation of basic EPS	6,599	(43,835)	38,748
Weighted average number of common shares for the purposes of basic EPS ('000)	**107,425**	**107,591**	**157,095**
Effect of dilutive share options and warrants ('000)	234	—	5,189
Weighted average number of common shares outstanding for the purpose of diluted EPS ('000)	**107,659**	**107,591**	**162,284**

The determination of weighted average number of common shares for the purpose of diluted EPS excludes 1.9 million share options that were anti-dilutive for the year ended December 31, 2020 (2019: 6.3 million share options, 3.7 million share warrants and 27.5 million subscription receipts; 2018: 3.0 million share options and 2.0 million share warrants).

29. COMMITMENTS FOR EXPENDITURES

As at December 31, the Company had the following payments due on contractual obligations and commitments:

Payments Due by Period ($ millions)—2020	Total	< 1 Year	1–3 Years	4–5 Years	> 5 Years
Debt (note 21)	372.5	34.4	336.1	2.0	—
Franco-Nevada gold stream[(i)]	106.1	9.4	18.8	18.8	59.1
Purchase obligations for supplies and services[(ii)]	5.7	4.5	1.2	—	—
Capital commitments[(iii)]	56.6	56.6	—	—	—
Afema investment[(iv)]	1.1	1.1	—	—	—
Lease commitments	10.9	2.7	4.7	2.1	1.4
Total	**552.9**	**108.7**	**360.8**	**22.9**	**60.5**

29. COMMITMENTS FOR EXPENDITURES (Continued)

Payments Due by Period ($ millions)—2019	Total	< 1 Year	1–3 Years	4–5 Years	> 5 Years
Debt (note 21)	201.6	42.9	155.8	2.9	—
Franco-Nevada gold stream[(i)]	118.4	13.7	22.5	17.6	64.6
Purchase obligations for supplies and services[(ii)]	5.7	2.4	3.3	—	—
Capital commitments[(iii)]	9.0	2.6	6.4	—	—
Afema investment[(iv)]	6.1	6.1	—	—	—
Lease commitments	14.0	3.9	6.7	2.0	1.4
Total	**354.8**	**71.6**	**194.7**	**22.5**	**66.0**

Payments Due by Period ($ millions)—2018	Total	< 1 Year	1–3 Years	4–5 Years	> 5 Years
Debt (note 21)	112.2	—	112.2	—	—
Franco-Nevada gold stream[(i)]	137.9	22.5	38.1	18.6	58.7
Purchase obligations for supplies and services[(ii)]	2.4	2.4	—	—	—
Capital commitments[(iii)]	74.5	72.6	1.9	—	—
Afema investment[(iv)]	11.2	5.2	6.0	—	—
Lease commitments	7.6	2.5	2.5	0.9	1.7
Total	**345.8**	**105.2**	**160.7**	**19.5**	**60.4**

(i) On January 15, 2014, the Company completed a gold stream transaction with Franco-Nevada Corporation. The Company is required to deliver 22,500 ounces annually over the first six years followed by 6 percent of production from the Company's existing properties in Senegal, thereafter, in exchange for a deposit of $135.0 million. The commitment estimate assumes a gold price of $1,250 per ounce.

On September 25, 2020, the Company and Franco-Nevada formalized an amendment to the Stream Agreement. The Company is required to deliver 783 ounces per month beginning September 1, 2020 until 105,750 ounces have been delivered to Franco-Nevada followed by 6 percent of production from the Company's existing properties in Senegal (excluding Massawa). The commitment estimate assumes a gold price of $1,250 per ounce. See note 22 for more information.

(ii) Purchase obligations for supplies and services—includes commitments related to maintenance and explosives services contracts.

(iii) Capital commitments—purchase obligations for capital expenditures at Sabodala-Massawa and Wahgnion, which include only those items where binding commitments have been entered into.

(v) On December 7, 2017, the Company entered into a memorandum of understanding with Sodim for the exploration and development of the Afema land package in Côte d'Ivoire, for total cash consideration of $10.0 million, payable over four installments. During 2018, two instalments totalling $5.0 million were paid. The third installment of $2.5 million was paid in 2019. A fourth instalment of $2.5 million will be payable upon delivery of a confirmation study or updated feasibility study with Teranga's confirmation of its decision to proceed with the Afema project. Under the terms of the memorandum of understanding, the Company maintains its 51 percent interest in the Afema mine license and Afema permits through the completion of a three-year $11.0 million exploration and community relations work program, increasing its interest to 70 percent on the Afema mine license through the delivery of a positive economic evaluation of potential mining on the Afema land package and Teranga's commitment to fund its 70 percent interest in the project through construction. The Company may earn up to 100 percent interest in the Afema projects if, at the moment the decision is made to proceed with the construction of a mining facility, Sodim elects to relinquish it's 30 percent interest for a 3 percent net smelter royalty.

SABODALA GOLD OPERATIONS SA, SABODALA MINING COMPANY SARL, WAHGNION GOLD OPERATIONS SA ("WGO") AND THE OROMIN JOINT VENTURE GROUP LTD. OPERATING COMMITMENTS

The Company has the following operating commitments in respect of the SGO, SMC, WGO and the OJVG:

(i) Pursuant to the Company's Senegal Mining Concession, a royalty of 5 percent is payable to the Republic of Senegal based on the value of gold shipments, evaluated at the spot price on the shipment date for SGO.

(ii) Pursuant to the completion of the acquisition of the OJVG, the Company made initial payments totalling $10.0 million related to the waiver of the right for the Republic of Senegal to acquire an additional equity interest in the exploration licenses converted to mine licenses when the ore is processed through the Sabodala mill. The initial payment was to be used to finance social projects in the mine site region,

29. COMMITMENTS FOR EXPENDITURES (Continued)

which was determined by the Republic of Senegal and paid either directly to suppliers for the completion of specific projects or to specified ministries of the Republic of Senegal. An additional payment will become payable when the actual cumulative production from the OJVG, net of mining royalties, multiplied by the Company's weighted average gold prices, multiplied by 1 percent, exceeds the initial payments.

(iii) Pursuant to the Company's Senegal Mining Concession, $1.2 million is payable annually for community projects and infrastructure to support local communities surrounding the Company's operations and social development of local authorities in the surrounding Kedougou region.

(iv) In addition to the Company's sustainability spending, Teranga has agreed to establish a social development fund which includes making a payment of $15.0 million to the Republic of Senegal at the end of the mine operational life. As at December 31, 2020, $8.3 million (2019: $8.1 million; 2018: $8.1 million) was accrued which is the discounted value of the $15.0 million future payment.

(v) $0.4 million is payable annually for training of Senegalese Directorate of Mines and Geology officers and Mines Ministry and $30 thousand is payable annually for logistical support of the territorial administration of the region for SGO.

(vi) $0.3 million is payable annually to the government of Senegal for institutional support by Massawa SA. $30 thousand and $50 thousand is payable annually for institutional support and mining social programs, respectively, by Massawa Jersey.

(vii) Pursuant to the Massawa mining convention, an amount equal to 0.5 percent of annual turnover (before tax) is to be contributed for social development projects of local authorities hosting Massawa.

(viii) On May 1, 2016, SGO entered into a commitment with local communities around its Gora deposit to provide annual social assistance funding. An amount of $0.2 million is payable for each year of operations. As at December 31, 2020, $0.4 million (2019: $0.4 million; 2018: nil) has not been paid and will be carried forward to future years.

(ix) $0.4 million is payable annually, until 2024, to the Ministry of Environment pursuant to a forestry protocol with the government of Senegal.

(x) Pursuant to the Company's Burkina Faso Mining Concession, a sliding net smelter royalty of 3 to 5 percent of gold sales, based on the daily spot price of gold, is payable to the government of Burkina Faso. If WGO exceeds annual gold production estimates provided to the government of Burkina Faso, additional royalties ranging from 1 to 4 percent is payable.

(xi) According to the terms of a sale agreement between Teranga and Elemental, a net smelter royalty of 1 percent from all sales revenue is payable to Elemental.

(xii) Pursuant to the 2015 Burkina Faso Mining Code, 1 percent of monthly turnover (before tax) is to be contributed to the FDML.

Offtake Obligation

Under the Wahgnion Offtake Agreement, Taurus Funds is entitled to an amount, in cash, equal to the difference between the actual spot sales price per ounce and the lowest a.m. and p.m. London Bullion Market Association gold price per ounce during the eight business days preceding the sale date for all Wahgnion gold ounces produced and sold, up to 1,075,000 ounces. See note 26d for more information.

Under the Massawa Offtake Agreement, Taurus Funds is entitled to an amount equivalent to the difference between the highest market bid price available on the open market at the time of such gold sale on each sale date and the lowest a.m. and p.m. LBMA gold price per ounce, during the eight business days preceding the sale date, for gold ounces produced over the life of Massawa. See note 26d for more information.

29. COMMITMENTS FOR EXPENDITURES (Continued)

Reserve payment

A reserve payment is payable to the Republic of Senegal, calculated on the basis of $6.50 for each ounce of new reserves until December 31, 2012 and 1 percent of the trailing twelve-month gold price for each ounce of new reserve beyond December 31, 2012 on the Sabodala mine license. As at December 31, 2020, $2.1 million (2019: $2.1 million; 2018: $2.1 million) was accrued as a current liability.

30. CONTINGENT LIABILITIES

Tax Assessments

The Company operates in various countries in West Africa and may be subject to assessments by the regulatory authorities in each of those countries, which can be complex and subject to interpretation. Assessments may relate to matters such as income and other taxes, duties and other matters. The Company exercises informed judgment to interpret the provisions of applicable laws and regulations as well as their application and administration by regulatory authorities to reasonably determine and pay the amounts due. From time to time, the Company may undergo a review by the regulatory authorities and, in connection with such reviews, disputes may arise with respect to the Company's interpretations about the amounts due and paid.

Teranga Senegal received a Notice of Assessment ("NOA"), dated June 10, 2020, from the Senegalese Tax Authority ("SRA") claiming registration fees and penalties of approximately $30 million arising from the Massawa Acquisition. The Company submitted its response to the SRA on July 10, 2020. On September 10, 2020, Teranga Senegal received a Notice of Cancellation of the original NOA as well as a new NOA claiming the same amount of registration fees and penalties as the original NOA. We have reviewed the new NOA and believe that it is without merit as Massawa's mining convention with the government of Senegal specifically precludes registration fees. The Company submitted its response to the SRA on October 10, 2020 and is awaiting a response. If the response is a reconfirmation of the new NOA, the Company will vigorously defend its position. No amounts have been recorded for any potential liability arising from the new NOA as we cannot reasonably estimate the outcome.

Outstanding tax assessments

In April 2016, the Company received a withdrawal of the 2011 tax assessment for all but $1.0 million, which remains in dispute. No amounts were accrued relating to this matter.

On December 31, 2019, the Company received a tax assessment for $1.0 million relating to capital gain realized on acquisition of the remaining 49 percent interest in the Gourma exploration project. The capital gain tax is payable by the seller of the interest in the exploration project but the holder of the mining title, Boss Gold, is jointly liable when the seller is not a resident of Burkina Faso. In the calculation of the capital gain tax the tax authorities did not consider any costs spent historically on Gourma exploration permits, therefore, the Company believes the tax assessment will be resolved with an immaterial amount of tax due.

As at December 31, 2020, the Company did not have any material provisions for tax assessments (2019: nil; 2018: nil). The Company believes the ultimate resolution of any assessments will not have a material adverse effect on the financial position of the Company.

31. EXPLORATION LICENSES AND ASSETS

The Company holds the following exploration licenses and assets:

Name	Principal Activity	Interest (%) 2018	Interest (%) 2019	Interest (%) 2020
Sabodala Mining Company Sarl				
Bransan (Lot A)[(i)]	Gold Exploration	70	70	70
Bransan (Lot B and Lot C)[(i)]	Gold Exploration	100	100	100
Sounkounkou[(ii)]	Gold Exploration	100	100	100
Boss Gold Sarl				
Boutouanou	Gold Exploration	100	100	—
Diabatou	Gold Exploration	100	100	—
Foutouri	Gold Exploration	100	—	—
Tyara	Gold Exploration	100	—	—
Tyabo	Gold Exploration	100	—	—
Kankandi	Gold Exploration	100	—	—
Massawa (Jersey) Limited				
Kanoumba	Gold Exploration	—	—	100
Boss Minerals Sarl				
Baniri	Gold Exploration	100	100	100
Intiedougou	Gold Exploration	100	100	100
Mougue	Gold Exploration	100	100	100
Gryphon Minerals Burkina Faso Sarl[(iii)]				
Dierisso II[(iv)]	Gold Exploration	100	100	100
Nianka II[(iv)]	Gold Exploration	100	100	100
Nogbele II[(iv)]	Gold Exploration	100	100	100
Zeguedougou II[(iv)]	Gold Exploration	100	100	100
Nogbele Sud[(v)]	Gold Exploration	100	100	100
Teranga Exploration (Ivory Coast) Sarl[(vi)]				
Dianra[(vii)]	Gold Exploration	100	100	100
Guitry[(viii)]	Gold Exploration	100	100	100
Sangaredougou[(ix)]	Gold Exploration	100	100	100
Mahapleu	Gold Exploration	100	—	—
Tiassalé	Gold Exploration	100	—	—
Taurus Gold CI Sarl[(x)]				
Aboisso[(xi)]	Gold Exploration	51	51	51
Ayame[(xi)]	Gold Exploration	51	51	51
Mafere[(xi)]	Gold Exploration	51	51	51

(i) The two exploration permits, Sounkounkou and Bransan (Lot A, Lot B and Lot C), comprise the Sabodala Regional Land Package. Although Sounkounkou and Bransan Lots B and C are fully held by SMC, there is a 30 percent ownership right in Bransan Lot A assigned to a Senegalese company, Senegal Nominees Limited, pursuant to a joint venture and trust agreement between SMC and Senegal Nominees Limited dated June 4, 2007.

(ii) Pursuant to joint venture agreement, as amended, between SMC and Axmin Inc. ("Axmin") dated September 2008, Axmin has elected to take a 1.5 percent net smelter royalty on all currently identified targets within the original Sounkounkou permit and including the Gora project in exchange for its fully participatory 20 percent interest. For any new exploration targets identified, Axmin may elect to maintain a 20 percent participatory interest or convert such interest into a 1.5 percent net smelter royalty. At present, SMC is offering the Sounkounkou permit to Axmin; failing which SMC plans to relinquish it to the government of Senegal.

(iii) Sanembaore held a 1 percent net smelter royalty in the WGO tenements, which was subsequently assigned to Elemental effective as at January 29, 2020. A royalty agreement between Elemental One Limited (a wholly owned subsidiary of Elemental), WGO, Gryphon Minerals Burkina Faso Sarl ("GMBF") and the Company was subsequently entered into and made effective as at September 29, 2020.

(iv) A first renewal of the exploration permit was granted by the Burkinabe Minister of Mines to GMBF on May 15, 2020.

(v) A renewal of the exploration permit was granted by the Burkinabe Minister of Mines to GMBF on January 8, 2020.

(vi) A 3 percent net smelter royalty is owing to Miminvest SA ("Miminvest").

31. EXPLORATION LICENSES AND ASSETS (Continued)

(vii) An application to the Ivorian Minister of Mines for a first renewal of the exploration permit was filed by Teranga Exploration (Ivory Coast) Sarl ("TEI") on September 6, 2019.

(viii) A first renewal of the exploration permit was granted by the Ivorian Minister of Mines to TEI on July 23, 2019.

(ix) An application to the Ivorian Minister of Mines for a first renewal of the exploration permit was filed by TEI on October 21, 2020.

(x) A 1 percent net smelter royalty is owing to an Ivorian state controlled entity, Société Pour Le Développement Minier De La Côte D'Ivoire, pursuant to a mining development agreement. An additional net smelter royalty of 3 percent is applicable only with respect to the Company's equity ownership interest in the Taurus Gold CI Sarl ("TGCI") permits under the terms of the Teranga Miminvest agreement. Pursuant to its agreement with Sodim, the Company also retains a right to acquire a 70 percent interest in all of the aforementioned permits upon delivery of a technical study confirming Teranga's commitment to move forward with the development of a mine on any of these permits.

(xi) A second renewal of the exploration permit was granted by the Ivorian Minister of Mines to TGCI on June 12, 2019.

32. CONTROLLED ENTITIES

The significant mining and exploration entities of Teranga that have non-controlling interests are listed below.

		Effective Percentage Ownership		
	Country of Incorporation	2018	2019	2020
Sabodala Gold Operations SA	Senegal	90.0	90.0	90.0
Massawa SA	Senegal	—	—	90.0
Wahgnion Gold Operations SA	Burkina Faso	89.8	89.8	89.8
Afema Gold SA	Côte d'lvoire	45.9	45.9	45.9
Taurus Gold CI Sarl	Côte d'lvoire	51.0	51.0	51.0

33. CASH FLOW INFORMATION

a. Changes in working capital

The table below details net changes in working capital in the Company's consolidated statements.

	For the years ended December 31,		
	2018	2019	2020
Changes in working capital			
Increase in trade and other receivables	(5,367)	(4,541)	(19,039)
Decrease/(increase) in inventories	7,740	(25,279)	(28,280)
Decrease/(increase) in other assets	612	(1,259)	(4,667)
(Decrease)/increase in trade and other payables	(6,792)	35,362	(1,796)
Decrease in provisions	(345)	(2,724)	(6,130)
Increase/(decrease) in deferred revenue	—	14,380	(14,380)
Increase in current income taxes payable	13,245	27,189	41,593
Net Change in Working Capital	**9,093**	**43,128**	**(32,699)**

33. CASH FLOW INFORMATION (Continued)

b. Changes in liabilities arising from financing activities

The tables below detail changes in the Company's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's consolidated statements of cash flows as cash flows from financing activities.

	Borrowings					
	Wahgnion Facility	CAT Facility	Massawa Facility	Wahgnion Offtake	Massawa Offtake	Lease Liabilities
As at January 1, 2020	173,940	7,835	—	15,358	—	9,747
Changes from financing cash flows						
Debt issued	1,500	3,125	225,000	—	—	—
Payments	(46,065)	(2,344)	(10,384)	(6,605)	(1,719)	(4,003)
Financing costs paid	(429)	(23)	(14,638)	—	—	—
Other changes						
Interest expense	—	—	—	—	—	579
New leases	—	—	—	—	—	537
Amortization of deferred financing costs	9,692	99	15,310	—	—	—
Inception of Massawa Offtake	—	—	(29,832)	—	29,832	—
Changes in fair values	—	—	—	2,144	7,156	—
Call-rights granted	—	—	(9,385)	—	—	—
Foreign exchange and other	—	9	(786)	—	—	352
As at December 31, 2020	**138,638**	**8,701**	**175,285**	**10,897**	**35,269**	**7,212**
Current	32,500	1,875	—	1,482	5,872	2,674
Non-Current	106,138	6,826	175,285	9,415	29,397	4,538
As at December 31, 2020	**138,638**	**8,701**	**175,285**	**10,897**	**35,269**	**7,212**

	Borrowings			
	Wahgnion Facility	CAT Facility	Wahgnion Offtake	Lease Liabilities
As at January 1, 2019	87,097	—	13,699	—
Adoption of IFRS 16	—	—	—	5,179
Changes from financing cash flows				
Debt issued	81,300	9,376	—	—
Repayments	—	(1,243)	(518)	(3,239)
Financing costs paid	(1,497)	(46)	—	—
Other changes				
Interest expense	—	—	—	390
New leases	—	—	—	7,385
Amortization of deferred financing costs	8,148	53	—	—
Share warrants granted	(1,594)	—	—	—
Change in fair value	—	—	2,177	—
Foreign exchange and other	486	(305)	—	32
As at December 31, 2019	**173,940**	**7,835**	**15,358**	**9,747**
Current	41,500	1,406	2,534	3,805
Non-Current	132,440	6,429	12,824	5,942
As at December 31, 2019	**173,940**	**7,835**	**15,358**	**9,747**

33. CASH FLOW INFORMATION (Continued)

	Borrowings		
	Revolver Facility	Wahgnion Facility	Wahgnion Offtake
As at January 1, 2018	14,307	—	—
Changes from financing cash flows			
Debt issued	—	112,200	—
Repayments	(15,000)	—	—
Financing costs paid	—	(12,278)	—
Other changes			
Amortization of deferred financing costs	693	4,295	—
Inception of Wahgnion Offtake	—	(14,015)	14,015
Share warrants granted	—	(3,105)	—
Change in fair value	—	—	(316)
As at December 31, 2018	**—**	**87,097**	**13,699**
Current	—	—	—
Non-Current	—	87,097	13,699
As at December 31, 2018	**—**	**87,097**	**13,699**

34. FINANCIAL INSTRUMENTS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a. Categories of financial instruments

The following table illustrates the classification of the Company's financial instruments:

	As at December 31,		
	2018	2019	2020
Financial assets:			
Measured at amortized cost			
Trade and other receivables	3,205	2,519	3,137
Measured at fair value through profit or loss			
Cash and cash equivalents	46,615	29,717	75,128
Restricted cash	—	103,593	—
Derivative financial assets	4,385	—	—
Measured at fair value through other comprehensive income			
Marketable securities	324	245	395

34. FINANCIAL INSTRUMENTS (Continued)

	As at December 31,		
	2018	2019	2020
Financial liabilities:			
Measured at amortized cost			
Trade and other payables	89,154	103,435	128,134
Borrowings	87,097	181,775	322,624
Lease liabilities	—	9,747	7,212
Subscription receipts liability	—	101,531	—
Measured at fair value through profit or loss			
Gold collars	—	—	3,465
Gold forward sales contracts	—	10,722	—
Gold call options	—	64	—
Gold offtake payment liabilities	13,699	15,358	46,166
Share warrant liabilities	1,969	9,406	26,672
Call-rights	—	—	25,936
Contingent consideration	—	—	45,266
Cash settled share-based compensation	4,850	9,508	15,690

All financial assets of Sabodala-Massawa and Teranga, excluding those related to Wahgnion and Afema, have been pledged as collateral for the gold stream arrangement with Franco-Nevada. Sabodala-Massawa, Teranga and Wahgnion assets (also excluding those relating to Afema) have been pledged as collateral for the Wahgnion Facility and the Massawa Facility, with certain Wahgnion equipment also being pledged as collateral for the CAT Facility.

b. Commodity Market Risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including foreign exchange rates and commodity prices.

The Company may, at its discretion, use forward or derivative contracts to manage its exposure to changes in commodity prices.

c. Foreign Currency Risk Management

The Company has certain financial instruments denominated in CFA Franc, EUR, CAD, AUD and other currencies. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the CFA Franc, EUR, CAD, AUD and other currencies may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in the CFA Franc, EUR, CAD, AUD and other currencies.

To mitigate foreign exchange risk, the Company may consider options to manage its exposures in the future. No foreign exchange contracts were entered into in 2020 (2019: entered into a call option to purchase C$40 million which expired unexercised; 2018: none).

34. FINANCIAL INSTRUMENTS (Continued)

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities are as follows:

	Financial Assets			Financial Liabilities		
	As at December 31,			As at December 31,		
	2018	2019	2020	2018	2019	2020
CFA Franc (XOF)	19,478	13,054	30,783	47,267	41,225	58,835
EUR	378	3,371	326	2,726	25,179	12,251
CAD	1,123	101,944	921	10,119	121,741	31,476
AUD	60	56	102	107	1,427	2,006
Other	1	1	1	596	3,112	4,407

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to CFA Franc, EUR, CAD and AUD. Based on the Company's currency exposures relating to foreign currency denominated monetary items, a 10 percent appreciation of the US dollar against the applicable foreign currencies would have resulted in the following gains/(losses):

	Financial Assets			Financial Liabilities		
	As at December 31,			As at December 31,		
	2018	2019	2020	2018	2019	2020
CFA Franc (XOF) Impact						
Gain or (loss)	(1,948)	(1,305)	(3,078)	4,727	4,123	5,884
EUR Impact						
Gain or (loss)	(38)	(337)	(33)	273	2,518	1,225
CAD Impact						
Gain or (loss)	(112)	(10,194)	(92)	1,012	12,174	3,148
AUD Impact						
Gain or (loss)	(6)	(6)	(10)	11	143	201

d. Interest Rate Risk Management

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in the market interest rates. The Company ensures that there is sufficient available capital to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

The following table illustrates the classification of the Company's financial instruments which are exposed to interest rate risk:

	As at December 31,		
	2018	2019	2020
Financial Assets			
Cash and cash equivalents	46,615	29,717	75,128
Restricted cash	—	103,593	—
Financial Liabilities			
Borrowings	—	7,835	8,701
Subscription receipts liability	—	101,531	—

The Company's interest rate on its borrowing is calculated at 8.75 percent margin on the Wahgnion Facility, LIBOR plus 5.1 percent on the CAT Facility and 7.85 percent on the Massawa Facility.

34. FINANCIAL INSTRUMENTS (Continued)

Interest Rate Sensitivity Analysis

If interest rates had been higher or lower by 50 basis points and all other variables were held constant, the profit and net assets would increase or decrease by:

	Financial Assets			Financial Liabilities		
	As at December 31,			As at December 31,		
	2018	2019	2020	2018	2019	2020
Profit or (loss)	391	222	378	(26)	(27)	(173)

e. Credit Risk Management

The Company's credit risk is primarily attributable to cash and cash equivalents, restricted cash and derivative financial instruments. The Company does not have any significant credit risk exposure as cash and cash equivalents are held with multi-national financial institutions with limited credit risk.

The Company does not have significant credit risk exposure on accounts receivable as gold sales are executed with either AAA rated banking institutions or established gold metal merchants, including government entities, with access to significant credit lines. Gold production is sold into the spot market.

The Company is exposed to the credit risk of Senegalese and French banks that disburse cash on behalf of its Senegal subsidiaries. The Company manages its Senegalese and French bank credit risk by centralizing custody, control and management of its surplus cash resources at the corporate office and only transferring money to its subsidiary based on immediate cash requirements, thereby mitigating exposure to Senegalese banks. The Company is exposed to the credit risk of Burkinabe banks related to its Burkinabe subsidiaries. The Company manages its Burkinabe bank credit risk by using Burkinabe subsidiaries of multi-national banks. The Company's current balances held in Côte d'Ivoire is not currently significant.

f. Liquidity Risk Management

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company monitors its risk of a shortage using projected cash flows and by monitoring the maturity of both its financial assets and liabilities.

Cash flow forecasting is performed in the operating entity of the group and combined by the Company's finance group. The Company's finance group monitors the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom in its accounts so that the Company does not breach any of its covenants.

Liquidity Tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company will be required to pay. The table includes both interest and principal cash flows.

34. FINANCIAL INSTRUMENTS (Continued)

Financial Liabilities	Interest rate %	Due On Demand	Due 1 to 3 Months	Due 3 months to 1 Year	Due 1 to 5 Years	Due Over 5 Years
December 31, 2020						
Non-Interest bearing	—%	120,092	23,166	2,455	66,828	16,448
Variable interest rate instrument	LIBOR + 5.1%	—	—	1,875	7,039	—
Fixed interest rate instruments	8.75%	—	10,650	33,579	124,837	—
Fixed interest rate instruments	7.85%	—	4,154	12,693	231,463	—
Total		**120,092**	**37,970**	**50,602**	**430,167**	**16,448**
December 31, 2019						
Non-Interest bearing	—%	74,111	11,364	5,135	7,793	—
Variable interest rate instrument	LIBOR + 5.1%	—	—	1,968	7,696	—
Variable interest rate instrument	1.07%	—	—	107,291	—	—
Fixed interest rate instruments	8.75%	—	18,128	38,605	173,551	—
Fixed interest rate instruments	6.71%	—	1,062	2,765	7,154	321
Fixed interest rate instruments	3.08%	2,093	—	—	—	—
Fixed interest rate instruments	5.00%	—	—	—	—	15,000
Fixed interest rate instruments	7.50%	—	—	555	—	—
Total		**76,204**	**30,554**	**156,319**	**196,194**	**15,321**
December 31, 2018						
Non-Interest bearing	—%	60,745	3,930	12,649	7,793	—
Fixed interest rate instruments	8.75%	—	—	—	112,200	—
Fixed interest rate instruments	3.08%	2,093	—	—	—	—
Fixed interest rate instruments	5.00%	—	—	—	—	15,000
Fixed interest rate instruments	7.50%	—	—	534	2,298	—
Total		**62,838**	**3,930**	**13,183**	**122,291**	**15,000**

Management considers that the Company has adequate current assets and forecasted cash flow from operations to manage liquidity risk arising from settlement of current and non-current liabilities.

g. Fair Value of Financial Instruments

The Company's trade and other receivables, trade and other payables, borrowings, lease liabilities and subscription receipts liability are carried at amortized cost, which approximates fair value, except for borrowings. Cash and cash equivalents, restricted cash, marketable securities, gold collars, gold forward sales contracts, gold call options, gold offtake payment liabilities, share warrant liabilities, call-rights, contingent consideration and cash settled share-based compensation are measured at fair value. Borrowings and lease liabilities are based on discounted future cash flows using discount rates that reflect current market conditions for similar financial instruments with similar terms and risks. Such fair value estimates are not necessarily indicative of the amounts the Company might pay or receive in actual market transactions. Potential transaction costs have also not been considered in estimating fair value.

34. FINANCIAL INSTRUMENTS (Continued)

Financial instruments carried at amortized cost on the consolidated statement of financial position are as follows:

	As at December 31, 2018		As at December 31, 2019		As at December 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Trade and other receivables	3,205	3,205	2,519	2,519	3,137	3,137
Financial Liabilities						
Trade and other payables	89,154	89,154	103,435	103,435	128,134	128,134
Subscription receipts liability	—	—	101,531	107,291	—	—
Borrowings	87,097	112,200	181,775	201,633	322,624	372,465
Lease liabilities	—	—	9,747	9,747	7,212	7,212

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

The Company values financial instruments carried at fair value using quoted market prices, where available. Quoted market prices (unadjusted) in active markets represent a Level 1 valuation. When quoted market prices in active markets are not available, the Company maximizes the use of observable inputs within valuation models. When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. There were no transfers between levels of the fair value hierarchy during the period.

The following table outlines financial assets and liabilities measured at fair value in the consolidated statements of financial position, or financial assets and liabilities measured at amortized cost but for which the fair value is disclosed, and the level of the inputs used to determine those fair values in the context of the hierarchy as defined above:

	As at December 31, 2018			As at December 31, 2019			As at December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Cash and cash equivalents	46,615	—	—	29,717	—	—	75,128	—	—
Restricted cash	—	—	—	103,593	—	—	—	—	—
Marketable securities	324	—	—	245	—	—	395	—	—
Derivative financial assets	—	4,385	—	—	—	—	—	—	—
Total	**46,939**	**4,385**	**—**	**133,555**	**—**	**—**	**75,523**	**—**	**—**
Financial Liabilities									
Gold collars	—	—	—	—	—	—	—	3,465	—
Gold forward sales contracts	—	—	—	—	10,722	—	—	—	—
Gold call options	—	—	—	—	64	—	—	—	—
Gold offtake payment liabilities	—	13,699	—	—	15,358	—	—	46,166	—
Share warrant liabilities	—	1,969	—	—	9,406	—	—	26,672	—
Call-rights	—	—	—	—	—	—	—	25,936	—
Contingent consideration	—	—	—	—	—	—	—	45,266	—
Cash settled share-based compensation	4,725	125	—	9,123	385	—	15,670	20	—
Borrowings	—	112,200	—	—	201,633	—	—	372,465	—
Total	**4,725**	**127,993**	**—**	**9,123**	**237,568**	**—**	**15,670**	**519,990**	**—**

35. SHARE-BASED COMPENSATION

Share-based compensation expense for the year ended December 31, 2020 totalled $13.0 million (2019: $8.5 million; 2018: $4.9 million).

a. Incentive Stock Option Plan

The Incentive Stock Option Plan (the "Plan") authorized the Board of Directors to grant options to purchase shares of the Company to directors, officers, employees and consultants of the Company and its subsidiaries. The vesting of options was determined by the Board of Directors at the date of grant. The term of options granted under the Plan was at the discretion of the Board of Directors, provided that such term cannot exceed ten years from the date the option was granted. Each employee share option was convertible into one common share of Teranga on exercise. No amounts were paid or payable by the recipient upon receipt of the option. The options carried neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry subject to the terms of the Plan.

The following reconciles the share options outstanding at the beginning and end of the year:

	Number of options	Weighted average exercise price (C$)
Balance as at January 1, 2018	**4,454,491**	**9.20**
Granted during the year[(i)]	1,321,000	4.22
Forfeited during the year	(324,738)	6.34
Exercised during the year[(ii)]	(242,867)	3.25
Balance as at December 31, 2018	**5,207,886**	**8.39**
Granted during the year[(i)]	1,518,500	4.36
Forfeited during the year	(352,232)	6.66
Exercised during the year[(ii)]	(99,508)	3.44
Balance as at December 31, 2019	**6,274,646**	**7.59**
Granted during the year[(i)]	1,422,000	8.23
Forfeited during the year	(97,472)	7.81
Expired during the year	(80,000)	15.00
Exercised during the year[(ii)]	(55,778)	8.52
Balance as at December 31, 2020	**7,463,396**	**7.62**
Number of options exercisable—December 31, 2018	3,704,864	
Number of options exercisable—December 31, 2019	3,868,198	
Number of options exercisable—December 31, 2020	4,401,021	

(i) The exercise price of new stock options granted was determined using a volume weighted average trading price of the Company's shares for the 5-day period ending on the grant date.

(ii) The weighted average share price at the time of the option exercises was C$13.61 (2019: C$6.20; 2018: C$5.19).

As at December 31, 2020, approximately 7.6 million options (2019: 3.4 million; 2018: 6.1 million) were available for issuance under the Company's stock option plan.

The estimated fair value of share options is amortized over the period in which the options vest which was three years, except for the options granted on March 29, 2018 and subsequent grants, which vest over four years. For those options which vest on single or multiple dates, either on issuance or on meeting milestones (the "measurement date"), the entire fair value of the vesting options is recognized immediately on the measurement date.

As at December 31, 2020, 7,463,396 (2019: 6,274,646; 2018: 5,207,886) common share stock options were issued and outstanding, 4,401,021 (2019: 3,868,198; 2018: 3,704,864) were vested, nil (2019: 37,698; 2018: 315,022) vest over a three-year period and 3,062,375 (2019: 2,368,750; 2018: 1,188,000) vest over a four-year period. As at December 31, 2020, the weighted average remaining contractual term of outstanding stock options exercisable was 2.5 (2019: 1.6; 2018: 2.3) years. The share options were exercisable at prices ranging from C$3.10 to C$15.00 (2019: C$3.10 to C$15.00; 2018: C$3.20 to C$15.00).

35. SHARE-BASED COMPENSATION (Continued)

As at December 31, 2020, 1,899,000 (2019: 2,024,000; 2018: 2,114,000), 1,584,146 (2019: 1,601,396; 2018: 1,905,886) and 3,980,250 (2019: 2,649,250; 2018: 1,188,000) share options had a contractual life of ten, five and six years at issuance, respectively.

On closing of the Combination (note 1), all outstanding stock options, whether vested or unvested, were fully vested and exchanged for replacement options to purchase common shares of Endeavour at a ratio of 0.47 Endeavour share option for each Teranga share option at an adjusted exercise price, with an expiry date of the earlier of (i) the original expiry date of each Teranga stock option and (ii) the second year anniversary of the closing date of the Combination.

Fair value of stock options granted

The grant date fair value of options granted during the years ended December 31, 2020, 2019 and 2018 were calculated using the Black-Scholes option pricing model with the following assumptions:

	For the years ended December 31,		
	2018	2019	2020
Grant date share price	C$3.64–C$5.37	C$3.43–C$4.33	C$6.92
Weighted average fair value of awards	C$2.25	C$1.92	C$2.49
Exercise price[(i)]	C$3.61–C$5.33	C$3.10–C$4.39	C$8.23
Range of risk-free interest rates	1.88%–2.40%	1.54%–1.81%	1.07%–1.10%
Expected share price volatility[(ii)]	56%–65%	55%–60%	50%–54%
Expected life of options (years)	3.3–5.0	3.3–4.8	3.3–4.8
Dividend yield	0%	0%	0%
Forfeiture rate	3%–14%	3%–14%	3%–14%

(i) Represents the 5-day volume-weighted average price of the Company's shares on the TSX for the period ending on the grant date.

(ii) Volatility was determined using the 4-year average historical volatility of the Company's share price.

b. Restricted Share Units

RSUs are not convertible into Company stock and represent a right to receive an amount of cash (subject to withholdings), on vesting, equal to the product of i) the number of RSUs held, and ii) the volume weighted average trading price of the Company's shares for the five trading days prior to such date. RSUs will generally vest as to 50 percent in thirds over a 3 year period and as to the other 50 percent, in thirds upon satisfaction of annual production and cost targets, except for the options granted on March 29, 2018 and subsequent grants, which vest as to 25 percent in thirds over a three-year period, 50 percent in thirds upon satisfaction of annual production and cost targets and 25 percent in thirds upon satisfaction of matching the average performance of the VanEck Vectors Junior Gold Miners ETF ("GDXJ"). Beginning in 2020, non-executive directors had the option to receive RSUs in place of DSUs.

During the year ended December 31, 2020, 418,000 RSUs were granted at an average price of C$8.23 per unit and 52,333 RSUs were forfeited (2019: 648,100 RSUs granted at an average price of C$4.39 and 28,833 RSUs forfeited; 2018: 821,000 RSUs granted at an average price of C$4.19 and 211,866 RSUs forfeited). As at December 31, 2020, a total of 1,024,732 (2019: 1,326,588; 2018: 1,467,014) RSUs were outstanding of which 719,934 (2019: 890,162; 2018: 969,665) units were vested. As at December 31, 2020, $5.2 million of current RSU liability and $1.9 million of non-current RSU liability have been recorded in provisions (2019: $3.2 million and $1.2 million in current and non-current RSU liability, respectively; 2018: $2.0 million and $0.7 million in current and non-current RSU liability, respectively).

On closing of the Combination (note 1), all outstanding RSUs immediately vested and payable at the 5-day volume-weighted average price of the Company's shares on the TSX on the closing date of C$13.09.

35. SHARE-BASED COMPENSATION (Continued)

c. Deferred Share Units

DSUs represent a right for a non-executive director to receive an amount of cash (subject to withholdings), on ceasing to be a director of the Company, equal to the product of (i) the number of DSUs held, and (ii) the volume weighted average trading price of the Company's shares for the five trading days prior to such date.

During the year ended December 31, 2020, the Company granted 69,000 DSUs at a price of C$8.23 per unit (2019: 172,000 DSUs at a price of C$4.39 per unit; 2018: 193,000 DSUs at a price of C$4.19 per unit). As at December 31, 2020, 834,832 (2019: 908,998; 2018: 756,998) DSUs were outstanding and 826,665 (2019: 880,331; 2018: 676,581) DSUs were vested. As at December 31, 2020, $8.6 million of current DSU liability has been recorded in the Historical Financial Information (2019: $4.7 million; 2018: $2.1 million).

On closing of the Combination (note 1), all outstanding DSUs immediately vested and payable at the 5-day volume-weighted average price of the Company's shares on the TSX on the closing date of C$13.09.

36. SEGMENT INFORMATION

Teranga's Chief Operating Decision Maker ("CODM"), reviews the operating results, assesses the performance and makes capital allocation decisions at the following segments: Sabodala-Massawa in Senegal; Corporate entities; Wahgnion in Burkina Faso; and exploration projects in Senegal, Burkina Faso and Côte d'Ivoire (including Afema). The CODM evaluates the segments' performance based on production and operating costs.

The following tables details the Company's operating results and summary asset information by segment.

	For the year ended December 31, 2020				
	Sabodala-Massawa	Corporate	Wahgnion	Exploration	Total
Revenue	401,931	—	318,089	—	720,020
Operating expenses	(155,660)	—	(121,183)	—	(276,843)
Royalties	(25,060)	—	(22,603)	—	(47,663)
Depreciation and depletion	(76,431)	—	(51,651)	—	(128,082)
Cost of sales	**(257,151)**	**—**	**(195,437)**	**—**	**(452,588)**
Earnings from mine operations	**144,780**	**—**	**122,652**	**—**	**267,432**
Corporate costs	—	(16,624)	—	—	(16,624)
Acquisition and restructuring costs	—	(12,933)	—	—	(12,933)
Share-based compensation	—	(13,025)	—	—	(13,025)
Exploration costs	—	—	—	(23,394)	(23,394)
Impairment reversal of mining interests	31,690	—	—	—	31,690
Earnings/(loss) from operations	**176,470**	**(42,582)**	**122,652**	**(23,394)**	**233,146**
Other income/(expense)					
Finance costs	(23,332)	(153)	(27,216)	(1,400)	(52,101)
(Losses)/gains on financial instruments and foreign exchange	(13,831)	(53,461)	2,212	(185)	(65,265)
Other (expenses)/income	(4,126)	(190)	11	2	(4,303)
Earnings/(loss) before income tax	**135,181**	**(96,386)**	**97,659**	**(24,977)**	**111,477**
Current income tax expense	(33,638)	—	(8,167)	—	(41,805)
Deferred income tax expense	(6,583)	—	(12,416)	—	(18,999)
Total net comprehensive earnings/(loss)	**94,960**	**(96,386)**	**77,076**	**(24,977)**	**50,673**

36. SEGMENT INFORMATION (Continued)

	For the year ended December 31, 2019				
	Sabodala	Corporate	Wahgnion	Exploration	Total
Revenue	318,202	—	34,920	—	353,122
Operating expenses	(160,884)	—	(18,938)	—	(179,822)
Royalties	(20,371)	—	(2,249)	—	(22,620)
Depreciation and depletion	(73,768)	—	(7,032)	—	(80,800)
Cost of sales	**(255,023)**	**—**	**(28,219)**	**—**	**(283,242)**
Earnings from mine operations	**63,179**	**—**	**6,701**	**—**	**69,880**
Corporate costs	—	(14,842)	—	—	(14,842)
Share-based compensation	—	(8,464)	—	—	(8,464)
Exploration costs	—	—	—	(11,021)	(11,021)
Earnings/(loss) from operations	**63,179**	**(23,306)**	**6,701**	**(11,021)**	**35,553**
Other income/(expense)					
Finance costs	(4,422)	(7,760)	(7,890)	(1,000)	(21,072)
Losses on financial instruments and foreign exchange	(2,954)	(24,651)	(244)	(48)	(27,897)
Other expenses	(4,761)	(247)	(148)	(927)	(6,083)
Earnings/(loss) before income tax	**51,042**	**(55,964)**	**(1,581)**	**(12,996)**	**(19,499)**
Current income tax (expense)/recovery	(19,985)	—	1	(350)	(20,334)
Deferred income tax expense	(860)	—	(852)	—	(1,712)
Total net comprehensive earnings/(loss)	**30,197**	**(55,964)**	**(2,432)**	**(13,346)**	**(41,545)**

	For the year ended December 31, 2018				
	Sabodala	Corporate	Wahgnion	Exploration	Total
Revenue	312,294	—	—	—	312,294
Operating expenses	(152,943)	—	—	—	(152,943)
Royalties	(21,032)	—	—	—	(21,032)
Depreciation and depletion	(58,104)	—	—	—	(58,104)
Cost of sales	**(232,079)**	**—**	**—**	**—**	**(232,079)**
Earnings from mine operations	**80,215**	**—**	**—**	**—**	**80,215**
Corporate costs	—	(13,932)	—	—	(13,932)
Share-based compensation	—	(4,851)	—	—	(4,851)
Exploration costs	—	—	—	(13,160)	(13,160)
Earnings from operations	**80,215**	**(18,783)**	**—**	**(13,160)**	**48,272**
Other income/(expense)					
Finance costs	(3,648)	(9,680)	(2,224)	(231)	(15,783)
(Losses)/gains on financial instruments and foreign exchange	(2,522)	10,051	(427)	253	7,355
Other (expenses)/income	(1,766)	(1,152)	624	—	(2,294)
Earnings/(loss) before income tax	**72,279**	**(19,564)**	**(2,027)**	**(13,138)**	**37,550**
Current income tax expense	(13,017)	—	—	—	(13,017)
Deferred income tax expense	(15,671)	—	(1,090)	—	(16,761)
Total net comprehensive earnings/(loss)	**43,591**	**(19,564)**	**(3,117)**	**(13,138)**	**7,772**

36. SEGMENT INFORMATION (Continued)

Selected non-current asset balances are detailed below:

	As at December 31, 2020				
	Sabodala-Massawa	Corporate	Wahgnion	Exploration	Total
Mining Interests	993,103	1,467	380,016	15,744	1,390,330
Total non-current assets	1,086,339	1,553	387,608	15,750	1,491,250

	As at December 31, 2019				
	Sabodala	Corporate	Wahgnion	Exploration	Total
Mining Interests	423,370	1,506	383,392	15,221	823,489
Total non-current assets	530,540	4,350	389,903	15,265	940,058

	As at December 31, 2018				
	Sabodala	Corporate	Wahgnion	Exploration	Total
Mining interests	426,106	555	249,105	15,784	691,550
Total non-current assets	544,424	612	253,394	15,784	814,214

37. RELATED PARTY TRANSACTIONS

a. Transactions with key management personnel

During the year ended December 31, 2020, there were transactions totalling $61 thousand, (2019: $95 thousand; 2018: $50 thousand), between the Company and an entity controlled by Alan R. Hill, the Company's Chairman, for consulting services.

b. Exploration agreement with Miminvest SA

The Company has an exploration agreement with Miminvest, a related party, to identify and acquire gold exploration stage mining opportunities in Côte d'Ivoire. Miminvest is a company established to invest in gold and natural resources in West Africa and is controlled by the Mimran family and David Mimran, a director and the largest shareholder of Teranga. Miminvest holds three existing exploration permits, representing 1,172 km^2 in Côte d'Ivoire.

Under the terms of the Miminvest exploration agreement, a separate entity was created, which is owned and funded by Teranga. Miminvest transferred operational control of its permits into the entity and provides ongoing in-country strategic advice in exchange for a net smelter royalty interest of 3 percent. Furthermore, the entity expects to pursue additional exploration projects in Côte d'Ivoire outside of the existing Miminvest permits.

c. Private placement to Tablo Corporation

On March 4, 2020, to finance part of the Upfront Consideration and upon completion of the Massawa Acquisition (note 5a), the Company also issued 11.7 million common shares at C$5.10 per common share or $44.6 million in a private placement to Tablo Corporation, an entity controlled by David Mimran, a director of the Company.

38. KEY MANAGEMENT COMPENSATION

The Company considered key members of management to include Teranga's President and CEO and officers.

The remuneration of the key members of management includes 6 members during the years ended December 31, 2020, 2019 and 2018, as follows:

	For the years ended December 31,		
	2018	2019	2020
Short Term Benefits			
Salary and fees	1,777	1,984	1,845
Non-cash benefits	13	13	8
Cash Bonus[(i)]	1,030	1,145	1,284
Cash settled share based payments—value vested			
RSUs	825	1,158	1,998
Equity settled share based payments—value vested			
Options	348	502	654
Total	**3,993**	**4,802**	**5,789**

(i) These amounts are based on cash payments made during the year and relate to the prior year.

39. SUBSEQUENT EVENTS

This entity was acquired by Endeavour on February 10, 2021, please refer to the Historical Financial Information of Endeavour for any subsequent events from this date.

PART 16
UNAUDITED PRO FORMA FINANCIAL INFORMATION

Section A—Accountants' report on the Unaudited Pro Forma Financial Information



BDO LLP
55 Baker Street
London
W1U 7EU

9 June 2021

The Directors
Endeavour Mining plc
5 Young Street
London
W8 5EH

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Dear Sir or Madam

Endeavour Mining plc (the "Company")

Pro forma financial information

We report on the unaudited pro forma income statement (the "Pro Forma Financial Information") set out in section B of this Part 16 of the prospectus dated 9 June 2021 (the "Prospectus").

Opinion

In our opinion:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated; and

(b) such basis is consistent with the accounting policies of Endeavour Mining Corporation.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro Forma Financial Information in accordance with item 18.4.1 of Annex 1 of the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Delegated Regulation**").

It is our responsibility to form an opinion, as required by section 3 of Annex 20 of the Prospectus Delegated Regulation, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed at the date of their issue.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 of the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how the acquisitions of Teranga Gold Corporation and of Semafo Inc. might have affected the financial information presented on the basis of the accounting policies adopted by Endeavour Mining Corporation in preparing the financial statements for the year ended 31 December 2020.

This report is required by item 18.4.1 of Annex 1 and section 3 of Annex 20 of the Prospectus Delegated Regulation and is given for the purpose of complying with those items and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council of the United Kingdom. We are independent in accordance with the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Endeavour Mining Corporation.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 of the Prospectus Delegated Regulation.

Yours faithfully

BDO LLP
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Section B—Unaudited Pro Forma Financial Information

Unaudited pro forma statement of comprehensive income

The unaudited pro forma statement of comprehensive income of Endeavour Mining Corporation ("Endeavour"), SEMAFO Inc. ("Semafo") and Teranga Gold Corporation ("Teranga") has been prepared to reflect the acquisition of Semafo, which took place on 1 July 2020 ("Semafo Transaction"), and the acquisition of Teranga, which took place on 10 February 2021 ("Teranga Transaction") as if both those acquisitions had occurred on 1 January 2020, together with the costs associated with Admission.

The unaudited pro forma statement of comprehensive income for the year ended 31 December 2020 has been prepared for illustrative purposes only. As a result, the hypothetical financial position or results included in the unaudited pro forma statement of comprehensive income may differ from Endeavour's actual financial position or results. The unaudited pro forma statement of comprehensive income is not intended to reflect the financial performance of Endeavour which would have resulted had the Semafo Transaction, the Teranga Transaction and Admission been effected on the dates indicated. Actual amounts recorded upon completion of the Semafo Transaction, the Teranga Transaction and Admission will likely differ from those recorded in the unaudited pro forma statement of comprehensive income and such differences could be material. Any potential synergies that may be realised, integration costs that may be incurred upon completion of the Semafo Transaction and the Teranga Transaction or other non-recurring changes have been excluded from the unaudited pro forma financial information. Further, the unaudited pro forma statement of comprehensive income is not necessarily indicative of the results of operations that may be obtained in the future.

The unaudited pro forma statement of comprehensive income for the year ended 31 December 2020 has been prepared on a basis consistent with the accounting policies adopted by Endeavour in preparing its audited historical financial information for the year ended 31 December 2020, included in Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*) of this document, in accordance with Annex 20 of the Prospectus Regulation and on the basis set out in the notes below:

Unaudited pro forma statement of comprehensive income

(All amounts expressed in thousands of United States Dollars)

		Pro forma adjustments						
	Endeavour for the year ended 31 December 2020	Semafo for the six months ended 30 June 2020	Semafo acquisition adjustments	Teranga for the year ended 31 December 2020	Teranga acquisition adjustments	Admission costs	Pro forma for the year ended 31 December 2020
	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	
Revenues							
Revenue	1,424,111	239,072	—	720,020	(15,549)[e]	—	2,367,654
Cost of sales							
Operating expenses	(574,791)	(124,617)	(4,540)[a]	(276,843)	(76,444)[f]	—	(1,057,235)
Depreciation and depletion	(260,562)	(36,288)	(5,046)[b]	(128,082)	(144,377)[g]	—	(574,355)
Royalties	(98,722)	(12,968)	—	(47,663)	—	—	(159,353)
Earnings/(loss) from mine operations	**490,036**	**65,199**	**(9,586)**	**267,432**	**(236,370)**	**—**	**576,711**
Corporate costs	(23,747)	(6,588)	—	(16,624)	—	—	(46,959)
Acquisition and restructuring costs	(39,845)	(15,970)	—	(12,933)	(41,892)[h]	—	(110,640)
Impairment of mining interests/impairment reversal	(64,506)	—	—	31,690	(31,690)[i]	—	(64,506)
Share-based compensation	(18,767)	(21,121)	21,121[c]	(13,025)	13,025[j]	—	(18,767)
Exploration costs	(4,937)	(2,255)	—	(23,394)	—	—	(30,586)
Earnings/(loss) from operations	**338,234**	**19,265**	**11,535**	**233,146**	**(296,927)**	**—**	**305,253**
Other income/(expense)							
(Loss)/gain on financial instruments	(78,690)	369	—	(65,265)	—	—	(143,586)
Finance costs	(48,832)	(4,714)	—	(52,101)	31,034[e][k]	—	(74,613)
Other income/(expense)	9,257	793	—	(4,303)	—	(11,000)[m]	(5,253)
Earnings/(loss) before taxes	**219,969**	**15,713**	**11,535**	**111,477**	**(265,893)**	**(11,000)**	**(81,801)**
Current income tax expense	(122,594)	(11,196)	—	(41,805)	—	—	(175,595)
Deferred income tax recovery/ (expense)	36,497	(5,014)	2,131[d]	(18,999	76,283[l]	—	90,898

		Pro forma adjustments					
	Endeavour for the year ended 31 December 2020	Semafo for the six months ended 30 June 2020	Semafo acquisition adjustments	Teranga for the year ended 31 December 2020	Teranga acquisition adjustments	Admission costs	Pro forma for the year ended 31 December 2020
	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	
Net comprehensive earnings/ (loss) from continuing operations	**133,872**	**(497)**	**13,666**	**50,673**	**(189,610)**	**(11,000)**	**(2,896)**
Net comprehensive loss from discontinued operations	(21,803)	—	—	—	—	—	(21,803)
Net comprehensive earnings/ (loss)	**112,069**	**(497)**	**13,666**	**50,673**	**(189,610)**	**(11,000)**	**(24,699)**
Net comprehensive earnings/ (loss) from continuing operations attributable to:							
Shareholders of the Company	95,030	(3,965)	14,412	38,748	(175,911)	(11,000)	(42,686)
Non-controlling interests	38,842	3,468	(746)	11,925	(13,699)	—	39,790
Net comprehensive earnings/ (loss) from continuing operations	**133,872**	**(497)**	**13,666**	**50,673**	**(189,610)**	**(11,000)**	**(2,896)**
Net comprehensive loss from discontinued operations attributable to:							
Shareholders of the Company	(22,807)	—	—	—	—	—	(22,807)
Non-controlling interests	1,004	—	—	—	—	—	1,004
Net comprehensive loss from discontinued operations	**(21,803)**	**—**	**—**	**—**	**—**	**—**	**(21,803)**
Net comprehensive earnings/ (loss) attributable to:							
Shareholders of the Company	72,223	(3,965)	14,412	38,748	(175,911)	(11,000)	65,493)
Non-controlling interests	39,846	3,468	(746)	11,925	(13,699)	—	40,794
Net comprehensive earnings/ (loss)	**112,069**	**(497)**	**13,666**	**50,673**	**(189,610)**	**(11,000)**	**(24,699)**

Notes to the unaudited pro forma statement of comprehensive income

1. The consolidated statement of comprehensive income of Endeavour for the year ended 31 December 2020 has been extracted without material adjustment from the audited historical financial information included in Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*) of this Prospectus.

2. The consolidated statement of comprehensive income of Semafo for the six months ended 30 June 2020 has been extracted without material adjustment from the audited historical financial information included in Part 14 (*Historical Financial Information of SEMAFO*) of this Prospectus.

3. Semafo acquisition adjustments:

   (a) *Inventory*

   This adjustment relates to the increase in operating expenses in the period from 1 January 2020 to 30 June 2020 for the reversal of the fair value adjustment of inventory which was recognised upon the acquisition of Semafo. The remainder of the fair value adjustment of inventory of U.S.$54.1 million was included in operating expenses of Endeavour in the year ended 31 December 2020.

   (b) *Depreciation and depletion*

   This adjustment relates to the increase in the depreciation and depletion from 1 January 2020 to 30 June 2020 of the carrying value of the Semafo mining interests, due to the difference between the fair value of the mining interests and the historical carrying value of the Semafo mining interests at the date of the closing of the Semafo Transaction.

(c) *Share-based compensation*

This adjustment is for the reversal of the share-based compensation incurred by Semafo during the six month ended 30 June 2020 as the performance share units ("PSUs"), deferred share units ("DSUs") and restricted share units ("RSUs") were all exercised for cash upon closing of the Semafo Transaction.

(d) *Tax*

This is the tax impact of the above adjustments related to the Semafo Transaction.

4. The consolidated statement of comprehensive income of Teranga for the year ended 31 December 2020 has been extracted without material adjustment from the audited historical financial information included in Part 15 (*Historical Financial Information of Teranga*) of this Prospectus.

5. Teranga acquisition adjustments:

(e) *Revenue*

Management expects the gold stream arrangement with Franco-Nevada Corporation ("Franco-Nevada") to be reflected as a reduction of the fair value of mining interests recorded upon acquisition of Teranga. Gold ounces sold to Franco-Nevada under the gold stream arrangement are expected to be recognised as revenue only on the actual proceeds received which is 20 per cent. of the spot gold price. As a result, revenue of U.S.$15.5 million related to the amortisation and re-measurement of the gold stream arrangement and accretion expense related to the gold stream liability of U.S.$6.4 million for the year ended 31 December 2020 has been reversed.

(f) *Inventory*

This adjustment relates to the increase in operating expenses in the year ended 31 December 2020 for the reversal of the fair value adjustment of inventory which was recognised upon the acquisition of Teranga. For the purposes of this unaudited pro forma statement of comprehensive income, we have assumed that the current portion of the fair value adjustment of U.S.$76.4 million would reverse in the year.

(g) *Depreciation and depletion*

This is comprises an increase of U.S.$144.4 million of depreciation and depletion for the year ended 31 December 2020 as a result of the increase in the fair value from the mining interests of Teranga upon closing of the Teranga Transaction.

(h) *Acquisition and restructuring costs*

This is comprises the non-recurring advisory and other professional fees of U.S.$25.3 million and restructuring costs of U.S.$16.6 million which were incurred upon closing of the Teranga Transaction.

(i) *Impairment of mining interests*

The unaudited pro forma statement of comprehensive income assumes the same fair value adjustment to mining interests at 1 January 2020 and on closing of the Teranga Transaction, resulting in a U.S.$31.7 million decrease in income from the impairment reversal previously recognised in the year ended 31 December 2020.

(j) *Share-based compensation*

This is comprises the reversal of the share-based compensation incurred by Teranga during the year ended 31 December 2020 as the RSUs and DSUs were all exercised for cash upon closing of the Teranga Transaction, the amount of the payment is included in (h) above. This adjustment also includes the reversal of the share-based compensation expense related to outstanding Teranga stock options for the year ended 31 December 2020 as these all vested upon closing of the Teranga Transaction with no post-combination services required by the holders of the options.

(k) *Finance costs*

This is comprises a net U.S.$24.6 million decrease in finance costs in the year ended 31 December 2020, reflecting changes to the outstanding debt facilities as a result of the Teranga Transaction.

Finance costs of U.S.$39.2 million related to the Massawa Facility and Wahgnion Facility recognised in the consolidated statement of comprehensive income of Teranga for the year ended 31 December 2020 have been reversed as both facilities were repaid on closing of the Teranga Transaction.

Finance costs increased by U.S.$14.6 million related to the additional financing undertaken by Endeavour as part of the Teranga Transaction, of which U.S.$12.1 million related to interest charges, and U.S.$2.6 million related to the amortisation of the deferred financing costs incurred. Additional funds of U.S.$120.0 million were drawn on Endeavour's revolving credit facility, and an additional U.S.$370.0 million was received from the Bridge Facility obtained upon closing of the Teranga Transaction.

(l) *Tax*

This is the tax impact of the above adjustments related to the Teranga acquisition.

6. Admission costs:

(m) The unaudited pro forma statement of comprehensive income assumes total costs relating to Admission of U.S.$11.0 million.

7. Apart from adjustments a, f, h and m, and their associated tax impacts, all of the adjustments set out above are expected to have a continuing impact on the Company.

The adjustments c, i and j reverse non-recurring amounts that have been expensed or credited in the financial information on Semafo or Teranga in the period, and although these adjustments would also not be repeated in future periods, they have no net effect on the pro forma earnings when taken together with the balances included in the financial information on Semafo and Teranga which are being reversed.

8. No adjustments have been made in relation to the financial performance of Endeavour or Teranga since 31 December 2020, Semafo since 30 June 2020, or of any other events save as those disclosed above.

PART 17
ADDITIONAL INFORMATION

1 Responsibility

The Company and the Directors, whose names and principal functions are set out in Part 8 (*Directors, Senior Managers and Corporate Governance*)), accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2 Incorporation

The Company is a public limited company with registered number 13280545, incorporated in England and Wales on 21 March 2021 with its registered office situated in England and Wales. The Company operates under the Companies Act.

The Company's registered office and principal place of business is at 5 Young Street, London W8 5EH, United Kingdom, its telephone number is +44 203 011 2719, its LEI number is 529900NI5MXQ91GHXR07 and its ISIN is GB00BL6K5J42.

The principal laws and legislation under which the Company operates, and under which the Shares will be issued, are the Companies Act and regulations made thereunder.

The business of the Company, and its principal activity, is to act as the ultimate holding company of the Group.

The Company's website is https://www.endeavourmining.com. Save for those documents that have been made available for inspection on the Company's website as described in paragraph 27 (*Documents available for inspection*) of this Part 17 (*Additional Information*), the contents of the Company's website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and investors should not rely on such information. The contents of the Company's website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites do not form part of this Prospectus.

3 Share capital

3.1 Share capital of the Company

The share capital of the Company on incorporation was 50,000 Subscriber Shares held by Old EDV.

No further shares have been issued since incorporation. The issued and fully paid share capital of the Company as at the Last Practicable Date is therefore as follows:

Class of Shares	Number	Nominal Amount
Subscriber Shares	50,000	£50,000

Pursuant to the Scheme, the Company will issue to Old EDV Shareholders one Share for each Old EDV Share in issue at the effective time of the Scheme. The issue of Shares pursuant to the Scheme has been authorised by a general meeting of the Company held prior to Admission at which members' resolutions were passed by the holder of the Subscriber Shares. The Shares are denominated in US Dollars and will be uniform in all respects and they will form a single class for all purposes.

As at the date of this Prospectus, the Subscriber Shares carry rights equivalent to those of the Shares, including the right to vote and the right to receive any dividends paid by the Company.

At the Scheme Effective Time, all of the Subscriber Shares will automatically convert into Deferred Shares. The Deferred Shares will not carry any voting rights or economic rights, other than a right to a return of capital on a winding-up subject to a maximum of the paid-up capital on the Deferred Shares.

It is intended that all of the Deferred Shares will be cancelled as part of the Reduction of Capital and the capital returned to Old EDV as the holder of the Deferred Shares.

Based upon the issued share capital of Old EDV as at the Last Practicable Date (having deducted those Old EDV Shares held by Old EDV as at the Last Practicable Date for cancellation prior to the Scheme Effective Time) and assuming that there are no other changes to the issued share capital of Old EDV between the Last Practicable Date and the Scheme Effective Date, the issued and fully paid share capital of the Company immediately following Admission is expected to be as follows:

Class of Shares	Number	Nominal Amount
Ordinary shares of U.S.$ 0.01 each	250,475,410	US$2,504,754.10
Deferred Shares	50,000	£ 50,000

The Directors expect that the Company will undertake the Reduction of Capital following Admission, as explained further in paragraph 5 below.

Based upon the issued share capital of Old EDV as at the Last Practicable Date (having deducted those Old EDV Shares held by Old EDV as at the Last Practicable Date for cancellation prior to the Scheme Effective Time) and assuming that there are no other changes to the issued share capital of Old EDV between the Last Practicable Date and the Scheme Effective Date, the issued and fully paid share capital of the Company following the cancellation of the Deferred Shares on the Reduction of Capital or their redemption by the Company is expected to be as follows:

Class of Shares	Number	Nominal Amount
Ordinary shares of U.S.$ 0.01 each	250,475,410	US$2,504,754.10

Immediately following Admission, it is expected that more than 25 per cent. of the Company's issued ordinary share capital will be held in public hands (within the meaning of Rule 6.14 of the Listing Rules).

3.2 Teranga Share Warrants

On completion of the acquisition of Teranga on 10 February 2021, Old EDV assumed the obligations of Teranga under the Teranga Share Warrants and, as a consequence, those Teranga Share Warrants which were previously exercisable in respect of Teranga common shares were adjusted to be exercisable over Old EDV Shares. As at the Last Practicable Date, there are Teranga Share Warrants outstanding and exercisable over 1,739,000 Old EDV Shares.

Upon the Scheme becoming effective (as described at paragraph 4 of this Part 17), the outstanding Teranga Share Warrants will no longer be exercisable over Old EDV Shares and will become exercisable over Shares in the Company instead. Assuming that there are no changes to the issued share capital of Old EDV between the Last Practicable Date and the time at which the Scheme becomes effective in accordance with its terms, on Admission the Teranga Share Warrants will be outstanding and exercisable over 1,739,000 Shares.

4 Scheme of Arrangement of Old EDV and listing arrangements

4.1 Description of the Scheme

The Scheme is the means through which the Company will be established as the new parent company of the Group.

Pursuant to the Scheme, the entire issued share capital of Old EDV will be transferred to the Company on the Scheme Effective Date. In consideration for such transfer, the Company will issue to Old EDV Shareholders one Share for each Old EDV Share in issue at the Scheme Effective Time (expected to be approximately 5.00 pm (Toronto time) on 11 June 2021).

Old EDV Shareholders voted to approve the Scheme at the meeting of Old EDV Shareholders convened by the Cayman Islands Court and held on 25 May 2021. Old EDV Shareholders also passed a number of special resolutions on matters relevant to the implementation of the Scheme at an extraordinary general meeting of Old EDV Shareholders also held on 25 May 2021.

Implementation of the Scheme is conditional on the Scheme being sanctioned (with or without modification) by the Cayman Islands Court at the Court Hearing (which is scheduled to be held at the Law Courts, George Town, Grand Cayman at 8.00 am on 9 June 2021) and the Court

Order sanctioning the Scheme having been duly delivered to the Cayman Islands Registrar of Companies. It is also conditional on permission having been granted by the FCA to admit the Shares to the premium segment of the Official List and by the London Stock Exchange to admit the Shares to trading on the Main Market of the London Stock Exchange.

Assuming that the Scheme is sanctioned at the Court Hearing and the other conditions to the implementation of the Scheme (as set out above) have been satisfied, the Scheme is expected to become effective at approximately 5.00 pm (Toronto time) on 11 June 2021. At this time the Company will become the parent company of the Group and Old EDV will become a wholly-owned subsidiary of the Company. Following the Scheme Effective Date, Old EDV is expected to amend its articles of association to a form which is suitable for a wholly-owned subsidiary.

4.2 Arrangements for settlement on implementation of the Scheme

Following the Scheme Effective Time, the Shares that will be issued and allotted to Non-Registered Old EDV Shareholders holding Old EDV Shares through securities accounts in CDS & Co. (including Old EDV Shares held through securities accounts in CDS & Co. by an intermediary such as a bank, broker, trust or custodian on behalf of a Non-Registered Old EDV Shareholder) will, within three business days of the Scheme being implemented, be deposited into the relevant securities account(s) in CDS & Co; in which Old EDV Shares were held prior to the Scheme Effective Time in accordance with the internal procedures at CDS & Co.

Registered Old EDV Shareholders will receive the Shares to which they will be entitled pursuant to the Scheme in certificated form. Share certificates for the Shares will be despatched by pre-paid post as soon as reasonably practicable after the Scheme Effective Date but, in any event, not later than 14 days after the Scheme Effective Date.

Applications are being made to: (i) the FCA for the Shares to be admitted to the premium listing segment of the Official List, and (ii) the London Stock Exchange for the Shares to be admitted to the Main Market for listed securities. It is expected that Admission will become effective, and that dealings for normal settlement in the Shares will commence on the London Stock Exchange at 8:00 am (London time) on 14 June 2021. Settlement of dealings on the London Stock Exchange from that date will be on a two-day rolling basis.

Application is also being made to the Toronto Stock Exchange for admission of the Shares to listing and posting for trading on the Toronto Stock Exchange. To facilitate the settlement of trades in Old EDV Shares on the Toronto Stock Exchange that are outstanding as at the Scheme Effective Time, the formal substitution of Old EDV to the Company on the Toronto Stock Exchange will take place two to three business days after the Scheme Effective Date. Outstanding trades in Old EDV Shares will continue on an entitlement basis until such time as the formal substitution of the Company for Old EDV is complete. It is expected that the Shares will commence trading on the Toronto Stock Exchange in the name of the Company at 9:30 am (Toronto time) on 16 June 2021. Shareholders will be able to trade in Shares on the Toronto Stock Exchange on 14 June 2021 and 15 June 2021, but the Shares will be designated as shares in Old EDV on the systems of the Toronto Stock Exchange on such dates.

4.3 Movements of Shares between Toronto Stock Exchange and London Stock Exchange (or vice versa)

Following Admission, Shareholders who wish to move their Shares from being held in uncertificated form in the systems of CDS & Co. (so as to be available for trading on the Toronto Stock Exchange) to being held in uncertificated form in CREST (so as to be available for trading on the Main Market of the London Stock Exchange) (or vice versa) should contact the Registrar at +44 (0) 370 703 0300.

Shareholders who wish to move their Shares in this way may need to deliver a withdrawal instruction to CDS & Co. or CREST (as the case may be) and, in the case of Shareholders wishing to move their Shares from CREST to the systems of CDS & Co., will be subject to a charge to stamp duty reserve tax at 1.5 per cent. of the value of such Shares. For further information, please refer to paragraph 1.4 of Part 18 (*Taxation*).

The Company has agreed with the Registrar that, for a period of two weeks following the date of Admission, the Company will bear the costs of the registrar fees that ordinarily would be payable by Shareholders to the Registrar for the movement of their Shares from CDS & Co. to CREST (or vice versa). The Company shall not bear the costs of or be liable in any way for any tax costs (including any charge to stamp duty reserve tax or stamp duty) of or associated with such movements of Shares.

5 Reduction of Capital

The purpose of the Reduction of Capital is to create profits available for distribution by the Company (also known as "**distributable reserves**"). These distributable reserves may be used to support the payment of dividends (and any potential share repurchases) by the Company in the future.

The Reduction of Capital will result in the cancellation, shortly after Admission, of the Company's share premium account in full and the re-characterisation of the reserve arising on such cancellation as a distributable reserve. The Deferred Shares (which will have automatically converted from Subscriber Shares into Deferred Shares at the Scheme Effective Time) will be cancelled as part of the Reduction of Capital and the amount of capital paid-up on the Deferred Shares returned to Old EDV as the holder of the Deferred Shares.

A shareholder resolution to approve the Reduction of Capital was passed by the holders of the Subscriber Shares at a general meeting of the Company called on short notice and held on 8 June 2021. Old EDV Shareholders also voted to pass a shareholder resolution to approve the Reduction of Capital at the Scheme General Meeting.

The Reduction of Capital is conditional upon (among other things):

(a) an order from the English Court confirming the Reduction of Capital; and

(b) registration of the order of the English Court confirming the Reduction of Capital with the Registrar of Companies.

The amount standing to the credit of the Company's share premium account that will be established on the Scheme, and in consequence the amount of the distributable reserves of the Company that will be created by the Reduction of Capital, is dependent on the closing price of Old EDV Shares on the last trading day of Old EDV Shares on the Toronto Stock Exchange (expected to be 11 June 2021). The difference between the nominal value of a Share (being U.S.$0.01) and such closing price (calculated on the basis of the closing CAD/USD exchange rate on the day immediately prior to the Scheme Effective Date as published by Bloomberg (or such other exchange rate as the Directors may determine)) will be treated as share premium and the aggregate of this amount for all Shares issued pursuant to the Scheme shall be credited to the share premium account of the Company on the Scheme taking effect.

Subject to the conditions described above being fulfilled, the Reduction of Capital is expected to become effective on or around 29 June 2021 and the full amount standing to the credit of the Company's share premium account (as established on the Scheme in the manner described above) cancelled, with such amount being credited to the distributable reserves of the Company. The date of the Reduction of Capital is subject to change and will depend on, amongst other things, the date and time at which the English Court approves the Reduction of Capital.

Shareholders will have the opportunity to attend and be heard at the UK High Court hearing to approve the Reduction of Capital, which is currently expected to take place on 29 June 2021.

6 Resolutions and authorities

6.1 Company's Capital Authorities

A general meeting of the Company has been held prior to Admission at which members' resolutions were passed by the holder of the Subscriber Shares to put in place the following capital authorities for the period after Admission:

6.1.1 the Board of the Company will be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act to exercise all the powers of the Company to allot Shares or grant rights to subscribe for or to convert any security into Shares:

(a) up to an aggregate nominal amount equal to one third of the aggregate nominal value of the ordinary share capital of the Company on the day following Admission;

(b) in connection with an offer by way of a rights issue only to holders of Shares in proportion (as nearly as practicable) to their existing holdings and to people who are holders of other equity securities if this is required by the rights of those equity securities, or if the Directors consider it necessary, as permitted by the rights of those equity securities, up to an aggregate nominal amount equal to two thirds of the aggregate nominal value of the ordinary share capital of the Company on the day following Admission (including within such limit any shares or rights issued under (a) above),

such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Companies Act and to expire on 30 June 2022 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2022 but, in each case, so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require Shares to be allotted or rights to subscribe for or to convert any security into Shares to be granted after the authority given by such resolution has expired;

6.1.2 the Board of the Company will be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act) wholly for cash:

(a) pursuant to the authority referred to in paragraph 6.1.1(a) above, or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act, in each case:

(A) in connection with a pre-emptive offer; and

(B) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount equal to five per cent. of the aggregate nominal value of the ordinary share capital of the Company on the day following Admission; and

(b) pursuant to the authority referred to in paragraph 6.1.1(b) above in connection with a pre-emptive rights issue (in the terms described in paragraph 6.1.1(b) above),

as if Section 561(1) of the Companies Act did not apply to any such allotment, with such authority to expire on 30 June 2022 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2022 but, in each case, so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities under any such offer or agreement as if the authority had not expired;

6.1.3 in addition to the authority described in paragraph 6.1.2 above, the Board of the Company will be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act) wholly for cash pursuant to the authority described in paragraph 6.1.1(a) above, or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act, as if Section 561(1) of the Companies Act did not apply to any such allotment, such authority to be:

(a) limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount equal to five per cent. of the aggregate nominal value of the ordinary share capital of the Company on the day following Admission; and

(b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of Directors of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group,

such authority to expire on 30 June 2022 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2022 but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities under any such offer or agreement as if the authority had not expired;

6.1.4 the Company will be generally and unconditionally authorised for the purposes of Section 701 of the Companies Act to make market purchases (within the meaning of Section 693(4) of the Companies Act) of Shares, subject to the following conditions:

(a) the maximum aggregate number of Shares which may be purchased may not be more than the number that of Shares that represents 10 per cent. of the ordinary share capital of the Company on the day following Admission;

(b) the minimum price (excluding expenses) which may be paid for each Share is U.S.$ 0.01 (being the nominal value of a Share);

(c) the maximum price (excluding expenses) which may be paid for each Share is an amount equal to the higher of: (i) 105 per cent. of the average of the average market value of a Share for the five business days immediately preceding the day on which the Share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of a Share and the highest current independent bid for a Share on the trading venue where the purchase is carried out; and

(d) the authority shall expire on 30 June 2022 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2022, save that the Company may before such expiry enter into any contract under which a purchase of Shares may be completed or executed wholly or partly after such expiry and the Company may purchase ordinary shares in pursuance of such contract as if the authority conferred hereby had not expired.

6.1.5 In addition, a members' resolution was passed by the holder of the Subscriber Shares at the general meeting of the Company held prior to Admission pursuant to which the Company will be permitted to call a general meeting, other than an annual general meeting, on not less than 14 clear days' notice.

6.2 Except as disclosed in this Prospectus, there is no contract or arrangement, nor has any been proposed, whereby an option or preferential right of any kind has been or will be given to any person to subscribe for any shares in the Company or its subsidiaries.

6.3 Save for the Convertible Bonds, the Teranga Share Warrants and the Teranga Options, the Company has no convertible securities, exchangeable securities or securities with warrants in issue.

6.4 As at the date of the Prospectus, the Company did not hold any Shares in treasury. At the Scheme Effective Time, Old EDV will become a wholly-owned subsidiary of the Company and will hold 50,000 Deferred Shares.

6.5 The Shares are in registered form and, subject to the provisions of the CREST Regulations, the Directors may permit the holding of Shares of any class in uncertificated form and title to such shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where Shares are held in certificated form, share certificates will be sent to the registered members by first class post. Where Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. There are no restrictions on the free transferability of the Shares.

7 Articles of Association

The Company operates in accordance with its Articles of Association (the "**Articles**"), which include provisions to the following effect:

7.1 Objects

The Company's objects are not restricted by its. Accordingly, pursuant to Section 31 of the Companies Act, the Company's objects are unrestricted.

7.2 Shares

7.2.1 *Respective rights of different classes of Shares*

Without prejudice to any rights attached to any existing shares, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the Directors. The Company may also issue shares which are, or are liable to be, redeemed at the option of the Company or the holder and the Directors may determine the terms, conditions and manner of redemption of any such shares.

7.2.2 *Voting rights*

At a general meeting, subject to any special rights or restrictions attached to any class of shares:

(a) on a show of hands, every member present in person and every duly appointed proxy present shall have one vote;

(b) on a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed:

(A) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or

(B) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his/her discretion as to how to vote; and

(c) on a poll, every member present in person or by proxy has one vote for every share of which such member is the holder.

A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had he been present in person.

Unless the Directors resolve otherwise, no member shall be entitled in respect of any share held by such member to vote either personally or by proxy or to exercise any other right in relation to general meetings if any call or other sum due from him to the Company in respect of that share remains unpaid.

7.2.3 *Variation of rights*

(a) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the written consent of the holders of three-quarters in nominal value of the issued shares of the class (excluding shares held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise), and may be so varied or abrogated either while the Company is a going concern or during or in contemplation of a winding-up.

(b) The special rights attached to any class of shares having preferential rights will not, unless otherwise expressly provided by the terms of issue, be deemed to be varied by (i) the creation, allotment or issue of further shares ranking, as regards participation in the profits or assets of the Company, in some or all respects equally with them but in no respect in priority to them; or (ii) the purchase or redemption by the Company of any of its own shares.

7.2.4 *Transfer of Shares*

(a) Transfers of certificated shares may be effected in writing, and signed by or on behalf of the transferor and, except in the case of fully paid shares, by or on behalf of the transferee. The transferor shall remain the holder of the shares

concerned until the name of the transferee is entered in the register of members in respect of those shares. Transfers of uncertificated shares may be effected by means of a relevant system (i.e. CREST) unless the CREST regulations provide otherwise.

(b) The Directors may decline to register any transfer of a certificated share, unless (i) the instrument of transfer is in respect of only one class of share; (ii) the instrument of transfer is lodged with the Registrar, duly stamped if required, accompanied by the relevant share certificate(s) or other evidence reasonably required by the Directors to show the transferor's right to make the transfer or, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person to do so; and (iii) the certificated share is fully paid up.

(c) The Directors may refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly.

7.2.5 *Forfeiture and lien*

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share. The Company may sell, in such manner as the Board determines, any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within seven clear days after notice has been sent to the holder. Additionally, each member shall (subject to receiving at least seven clear days' notice) pay to the Company the amount called on his or her shares. If a call or any instalment of a call remains unpaid after it has become due and payable, the Board may require payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made may be forfeited.

7.3 General Meetings

7.3.1 *Annual general meeting*

An annual general meeting shall be held in each period of six months beginning with the day following the Company's accounting reference date, at such place or places, date and time as may be decided by the Directors.

7.3.2 *Convening of general meeting*

The Directors may, whenever and at such times and places as it shall determine, and shall on requisition in accordance with applicable law, call a general meeting.

7.3.3 *Notice of Meetings etc.*

(a) Notice of general meetings shall include all information required to be included by applicable law and shall be given to all members other than those members who are not entitled to receive such notices from the Company under the provisions of the Articles. the Company may determine that only those persons entered on the register at the close of business on a day decided by the Company, such day being no more than 21 days before the day that notice of the meeting is sent, shall be entitled to receive such a notice.

(b) For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, the Company must specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. The Directors may in their discretion resolve that, in calculating such period, no account shall be taken of any part of any day that is not a working day (within the meaning of Section 1173 of the Companies Act).

7.3.4 *Quorum*

No business other than the appointment of a chair shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and holding or representing by proxy at least 25 per cent. of the votes eligible to be cast at any general meeting shall be a quorum.

7.4 Directors

7.4.1 *General powers*

The Directors shall manage the business and affairs of the Company and may exercise all powers of the Company other than those that are required by applicable law or by the Articles to be exercised by the Company at the general meeting.

7.4.2 *Number of Directors*

The Directors shall not be fewer than three in number, save that the Company may, by ordinary resolution, from time to time vary the minimum number and / or maximum number of the Directors.

7.4.3 *Share qualification*

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

7.4.4 *Directors' fees*

The Directors' fees are determined by the Directors from time to time, except that they may not exceed U.S.$5,000,000 per annum in aggregate or such higher amount as may from time to time be determined by ordinary resolution of the shareholders.

7.4.5 *Executive Directors*

The Directors may from time to time appoint one or more of them to be the holder of any executive office on such terms and for such a period as they may resolve and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.

7.4.6 *Directors' retirement*

When a Director retires at an annual general meeting in accordance with the Articles, the Company may, by ordinary resolution at the meeting, fill the office being vacated by re-electing the retiring Director (if eligible for re-election). In the absence of such a resolution, the retiring Director shall nevertheless be deemed to have been re-elected, except in the cases identified by the Articles.

7.4.7 *Removal of a Director by resolution of the Company*

In accordance with and subject to the provisions of applicable law, the Company may remove any Director from office by ordinary resolution of which special notice is given and elect another person in place of a Director so removed from office. Such removal may take place notwithstanding any provision of the Articles or of any agreement between the Company and such Director, but is without prejudice to any claim that the Director may have for damages for breach of any such agreement.

7.4.8 *Proceedings of the Board*

(a) Subject to the provisions of the Articles, the Directors may meet for the despatch of business and adjourn and otherwise regulate its proceedings as they think fit.

(b) The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number, shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

(c) The Directors shall be deemed to meet together if they are in separate locations, but are linked by conference telephone or other communication equipment which allows those participating to hear and speak to each other, and a quorum in that event shall be two Directors so linked (or such other number fixed from time to time by the Directors).

(d) The Directors may elect from their number a chair and a deputy chair (or two or more deputy chairs) and decide the period for which each is to hold office.

(e) Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes, the chair of the meeting shall have a second or casting vote.

7.4.9 *Directors' interests*

(a) For the purposes of section 175 of the Companies Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

(b) Any such authorisation will be effective only if:

(A) the matter in question was proposed in writing for consideration at a meeting of the Directors, in accordance with the Board's normal procedures or in such other manner as the Directors may resolve;

(B) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and

(C) the matter was agreed to without such interested Directors voting or would have been agreed to if their votes had not been counted.

(c) The Company Directors may:

(A) extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised; and

(B) be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently; and

(C) be terminated by the Directors at any time,

and a Director must comply with any obligations imposed on the Director by the Director pursuant to such authorisation.

7.4.10 *Restrictions on voting*

(a) Except as provided in paragraph 7.3.10(b) below, a Director may not vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which the Director (or a person connected to the Director) is interested. Any vote of a Director in respect of a matter where the Director is not entitled to vote shall be disregarded, and such Director shall not be counted towards the quorum at the meeting of the Directors in relation to any resolution on which the Director is not entitled to vote.

(b) Subject to the provisions of applicable law, a Director is (in the absence of some other interest than is set out below) entitled to vote, and be counted in the quorum, in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal (inter alia):

(A) in which the Director has an interest of which the Company is not aware,

(B) in which the Director has an interest which cannot be reasonably regarded as likely to give rise to a conflict of interest;

(C) in which the Director has an interest only by virtue of interests in the Company's shares, debentures or other securities of the Company, or by reason of any other interest in or through the Company;

(D) which involves the giving of any security, guarantee or indemnity to the Director or any other person in respect of (i) money lent or obligations incurred by the Director or by any other person at the request or for the benefit of the Company or any of its subsidiary undertakings; or (ii) a debt or other obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility in whole or part under a guarantee or indemnity or by giving of security;

(E) concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which the Director is or may be entitled to participate as a holder of securities or as an underwriter or sub-underwriter;

(F) concerning any other body corporate in which the Director is interested (directly or indirectly), provided that the Director (together with persons connected with the Director) is not the holder of, or beneficially interested in, one per cent. or more of any class of the issued equity share capital of such body corporate or of the voting rights available to the members of such body corporate;

(G) relating to an arrangement for the benefit of employees or former employees of the Company or any of its subsidiary undertakings which does not award the Director any privilege or benefit not generally awarded to the employees or former employees to whom such arrangement relates;

(H) concerning the purchase or maintenance by the Company of insurance for any liability for the benefit of the Directors;

(I) concerning the giving of indemnities in favour of the Directors;

(J) concerning the funding of expenditure by any Director or Directors (i) on defending criminal, civil or regulatory proceedings or actions against the Director or them; (i) in connection with an application to the court for relief; (iii) on defending the Director or them in any regulatory investigations; or (iv) incurred doing anything to enable any Director or Directors to avoid incurring such expenditure; or

(K) in respect of which the Director's interest, or the interest of Directors generally, has been authorised by ordinary resolution.

7.4.11 *Borrowing powers*

(a) Subject to the Articles and applicable law, the Directors may exercise all the powers of the Company to borrow money, mortgage or charge all or any part or parts of its undertaking, property and uncalled capital, and issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third-party.

(b) The Directors shall restrict the Company's borrowing and exercise all voting and other rights, powers of control or rights of influence exercisable by the Company in relation to its subsidiary undertakings so as to secure that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group and for the time being owing to persons outside the Group, less the aggregate amount of the Current Asset Investments (as defined in the Articles), shall not at any time without the previous sanction of an ordinary resolution exceed an amount equal to three times the Adjusted Capital and Reserves (as defined in the Articles).

7.4.12 *Powers of the Directors*

(a) The Directors may delegate any of their powers or discretions, including those involving the payment of remuneration or the conferring of any other benefit on

the Directors, to such person or committee and in such manner as they think fit. Any such delegation may either be collateral with or to the exclusion of their own powers and the committee make revoke or alter the terms of any such delegation. Any such person or committee shall, unless the Directors otherwise resolve, have the power to sub-delegate any of the powers or discretions delegated to them. The Directors may make regulations in relation to the proceedings of committees or sub-committees.

(b) The Directors may establish any local boards or appoint managers or agents to manage any of the affairs of the Company, either in the United Kingdom or elsewhere, and may:

(A) appoint persons to be members or agents or managers of such local board and fix their remuneration;

(B) delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with the power to sub-delegate;

(C) remove any person so appointed, and may annul or vary any such delegation; and

(D) authorise the members of any local boards, or any of them, to fill any vacancies on such boards, and to act notwithstanding vacancies.

(c) The Directors may appoint any company, firm or person or any fluctuating body of persons to be the attorney or attorneys of the Company with such purposes and with such powers, authorities and discretions and for such periods and subject to such conditions as they may think fit.

(d) Any Director may at any time appoint any person (including another the Company Director) to be the Company Director's alternate Director and may at any time terminate such appointment. Such appointment or termination of appointment must be made by notice in writing signed by the Director concerned and shall take effect only on approval by the Directors unless otherwise specified in the Articles.

7.4.13 *Directors' Liabilities*

(a) So far as may be permitted under applicable law, every Relevant Officer (as defined in the Articles) shall be indemnified by the Company out of its own funds against:

(A) any liability incurred by or attaching to the Relevant Officer in connection with any negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or any Associated Company (as defined in Section 256 of the Companies Act) of the Company other than:

(I) any liability to the Company or any Associated Company; and

(II) any liability of any kind referred to in section 234(3) of the Companies Act;

(B) any other liability incurred by or attaching to the Relevant Officer in relation to or in connection with the Relevant Officer's duties, powers or office, including in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme.

(b) The Company Directors may also purchase and maintain insurance for or for the benefit of:

(A) any person who is or was at any time a Director or Secretary of a Relevant Company (as defined in the Articles); or

(B) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested,

including insurance against any liability (including all costs, charges, losses and expenses in relation to such liability) incurred by or attaching to such person in relation to such person's duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.

(c) So far as may be permitted under applicable law, the Company may:

(A) provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by the Relevant Officer:

(I) in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or an Associated Company of the Company; or

(II) in connection with an application for relief under section 205(5) of the Companies Act; and

(B) do anything to enable such Relevant Officer to avoid incurring such expenditure.

7.5 Dividends

7.5.1 *Declaration of final dividends*

The Company may, by ordinary resolution, declare final dividends. However, no dividend shall be declared unless it has been recommended by the Directors and does not exceed the amount recommended by the Directors.

7.5.2 *Fixed and interim dividends*

(a) If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Director may:

(A) pay the fixed dividends on any class of share carrying a fixed dividend expressed to be payable on fixed dates prescribed for the payment of such dividends; and

(B) pay interim dividends on shares of any class in amounts and on such dates and in respect of such periods as they think fit.

(b) Provided the Directors act in good faith, they shall not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment of any fixed or interim dividend on any other class of shares having rights ranking after or equal with those shares.

7.5.3 *Ranking of shares for dividend*

Unless and to the extent that the rights attached to any shares or the terms of issue of those shares otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, and apportioned and paid proportionally to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.

7.5.4 *Unclaimed dividend*

(a) Any unclaimed dividends may be invested or otherwise applied for the benefit of the Company until they are claimed. If a dividend remains unclaimed after a period of 12 years from the date on which it was declared or became due for payment, the person who was otherwise entitled to it shall cease to be entitled and the Company may keep that sum.

(b) The Directors may, if authorised by ordinary resolution, offer to ordinary shareholders the right to elect to receive, in lieu of a dividend, an allotment of new ordinary shares credited as fully paid.

7.5.5 *Failure to supply an address*

The Company shall not be required to send notices, documents or information to a member who (having no registered address within the United Kingdom) has not supplied to the Company either a postal address within the United Kingdom or an electronic address for the service of notices.

7.5.6 *Disclosure of Shareholding Ownership*

The Directors are entitled to disclose any information regarding the affairs of the Company including, without limitation, information contained in the Register and transfer books of the Company, if lawfully required to do so under the laws of any jurisdiction to which the Company is listed.

8 Mandatory bids and compulsory acquisition rules relating to Shares

8.1 Other than as provided by the UK Takeover Code and Chapter 28 of the Act, there are no rules or provisions relating to mandatory bids and/or squeeze out and sell out rules relating to the Company. The UK Takeover Code is a set of rules made by the Takeover Panel under the Companies Act that regulates the conduct of takeover offers for listed companies to whom the UK Takeover Code applies. The UK Takeover Code prescribes obligations to ensure the fair treatment of shareholders in a target company and that they are permitted to consider the merits of a takeover offer.

8.2 Mandatory bids

8.2.1 The UK Takeover Code will apply to the Company from Admission. Under Rule 9 of the UK Takeover Code, following Admission, if an acquisition of interests in the Company's shares were to increase the aggregate holding of the acquirer and its concert parties to interests in the Company's shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, the concert parties would be required (except with the consent of the Takeover Panel) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for interests in the Company's shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of interests in shares by a person holding (together with its concert parties) shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the total voting rights in the Company.

8.3 Squeeze-out

8.3.1 Under the Act, if an offeror were to make an offer to acquire all of the shares in the Company not already owned by it and were to acquire 90 per cent. of the shares to which such offer related it could then compulsorily acquire the remaining 10 per cent.

8.3.2 The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their shares and then, six weeks later, it would: (i) deliver a transfer of the outstanding shares in its favour to the Company which would execute the transfer on behalf of the relevant members, and (ii) pay the consideration to the Company which would hold the consideration in trust for outstanding members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

8.4 Sell-out

8.4.1 The Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in the Company has been made and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the shares, any holder of shares to which the offer related who had not accepted the offer could, by a written communication to the offeror, require it to acquire those shares. The offeror would be required to give any

member notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his/her rights, the offeror is entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

8.5 No takeover offer (within the meaning of Part 28 of the Companies Act) was or has been made for any shares in the Company or any Old EDV Shares during the year ended 31 December 2020 or to date during it current financial year ending 31 December 2021.

9 Directors' and Senior Managers' interests

9.1 The Directors, their functions within the Company and brief biographies are set out in Part 8 (*Directors, Senior Managers and Corporate Governance*).

9.2 Set out below are the directorships and partnerships held by the Directors and Senior Managers (other than, where applicable, directorships held in the Company and its subsidiaries and the subsidiaries of the companies listed below), in the five years prior to the date of this Prospectus:

Name	Current directorships/partnerships	Past directorships/partnership
Michael Beckett	None	Non-Executive Director of International Hotels Investment Limited
Sébastien de Montessus .	Director of SCI AYO-ROGONEY Director of SCI La Mairie Director of Wendel-Participations SA Director of Portobello 95 Group Limited	Non-Executive Director of Evolution Mining Limited Director of La Mancha Holding S.àr.l
James Askew	Non-Executive Director of Evolution Mining Ltd Chairman of Syrah Resources Ltd	Chairman of OceanaGold Corp.
David Mimran	Chief Executive Officer of Mimran Natural Resources S.A. Chief Executive Officer and Director of Miminvest S.A. Chief Executive Officer of Mimran Group Chairman of Mimran Schur Pictures Director of Tablo Corporation	None
Naguib Sawiris	Director of Weather II Special Purpose I Director of Weather II Special Purpose II Chairman of Nile Sugar Egypt Board Member of Nile City for Investments Board Member of Alteras Touristic Investment Co. Board Member of Egypt Catering & Services Abella Board Member of BPUR Ltd. Executive Chairman of Zerraat el Nile for Agriculture (The Nile Cultivation of Agriculture Crops Co.) Director of Arab Thought Foundation Chairman & Managing Director of Egyptian Company for Investments & Development Director of Ayia Napa Marina Limited	Director of Venus Investments Director of Venus Investments II Director of Ora Developers B.V. Director A of New Egypt Investment Fund BV Director of Evolution Mining Ltd Non-Executive Chairman of World Capital Services Limited Class A Manager of Libero Acquisition S.à r.l

Name	Current directorships/partnerships	Past directorships/partnership
	Chairman of M.M. Makronisos Marina Limited Director of Joyau des Caraibes Limited Director of JDC II Ltd Class A Manager of March Capital Holding S.à r.l Class A Manager of March Capital Investments S.à r.l Class A Manager and Chairman of Media Globe Netword SA Chairman of the supervisory board of Euronews SA Class A Manager of Gemini Global Development Holding S.à.r.l Director of Elite Estate (Private) Pakistan Class A Manager of Prima TV S.p.A Class A Manager of Orascom TMT Investments S.à r.l Class A Manager of OTMT Acquisition S.à r.l Chairman of Orascom Investment Holding S.A.E. Non-executive Director of Beltone Financial Holding S.A.E. Director of La Mancha Acquisition Group Director of the advisory committee of A15 Fund LP	
Alison Baker	Non-Executive Director of Rockhopper Exploration plc Non-Executive Director of Helios Towers plc Director of Alison Baker Associates Limited Strategic Advisory Board member of Emperor Design Consultants Limited Strategic Advisory Board member of Buchannan Communications Ltd	Non-Executive Director at Centamin plc Partner at PricewaterhouseCoopersLLP Non-Executive Director of KAZ Minerals plc
Sofia Bianchi	Non-Executive Director of Spitex Perspecta AG Non-Executive Director of Yellow Cake plc Non-Executive Director of Sitex SA Director of Dynami SPV IV Ltd Director of Zaxxon Business SA Director of Snaplight Flat MCL Director of Atlante Capital Partners	Non-Executive Director at ARM Cement Limited Non-Executive Director of Feronia Inc. Senior Independent Director of Kenmare Resources plc Non-Executive Director of Alchemy Resources Ltd Executive Chairman of Oroblue Resources Inc Chair of G-Finanz Limited Partner of BlueCrest Capital Management Director of CreditAccess India N.V.
Carmen Letton	None	Non-Executive Director of Gold Fields Limited
Livia Mahler	Director, President and Chief Executive Officer of Computational	Non-Executive Director of Ivanhoe Mines Ltd.

Name	Current directorships/partnerships	Past directorships/partnership
	Geosciences Inc. Non-Executive Director of Delwinds GoGreen Acquisition Corporation	Non-Executive Director of High Power Exploration Inc.
Tertius Zongo	"Chair Sahel" of The Foundation for International Development study and research Non-Executive Director of ECOBANK—Cote d'Ivoire	Non-Executive Director of SEMAFO— Inc.
Pascal Bernasconi	None	None
Patrick Bouisset	None	None
Morgan Carroll	None	Qala Capital Inc.
Henri De Joux	None	None
Mark Morcombe	None	None
Joanna Pearson	Goldshore Resources Inc.	Partner of Deloitte LLP

9.3 The total interests of the Directors and Senior Management (all of whom, unless otherwise stated, are beneficial and include interests of persons connected with a Director or Senior Manager) in Shares as at the Last Practicable Date and as expected immediately following Admission, are set out in the following table:

Director/Senior Manager	Number of Old EDV Shares as at the Scheme Effective Time	% of issued share capital of Old EDV[1]	Total number of Shares as expected immediately following Admission	% of issued share capital of the Company following Admission[2]
Michael Beckett	Nil	—	Nil	—
Sébastien de Montessus[3]	921,843	0.4	921,843	0.4
Naguib Sawiris[4]	Nil	—	Nil	—
David Mimran[5]	15,578,307	6.2	15,578,307	6.2
Sofia Bianchi	6,541	0.0	6,541	0.0
James Askew	Nil	—	Nil	—
Alison Baker	Nil	—	Nil	—
Carmen Letton	Nil	—	Nil	—
Livia Mahler	Nil	—	Nil	—
Tertius Zongo	Nil	—	Nil	—
Pascal Bernasconi	93,787	0.0	93,787	0.0
Patrick Bouisset[6]	404,308	0.2	404,308	0.2
Morgan Carroll	248,442	0.1	248,442	0.1
Henri De Joux[7]	156,639	0.1	156,639	0.1
Mark Morcombe	Nil	—	Nil	—
Joanna Pearson	Nil	—	Nil	—

Notes:

(1) The percentages of the issued share capital of Old EDV expected as at the Scheme Effective Time have been stated on the basis that there are no changes to the issued share capital of Old EDV between the Last Practicable Date (having deducted those Old EDV Shares held by Old EDV as at the Last Practicable Date for cancellation prior to the Scheme Effective Time) and the Scheme Effective Time.

(2) The percentages of the issued share capital of the Company following Admission have been stated on the basis that Admission has become effective as proposed in this Prospectus and that there are no changes to the issued share capital of Old EDV between the Last Practicable Date (having deducted those Old EDV Shares held by Old EDV as at the Last Practicable Date for cancellation prior to the Scheme Effective Time) and the Scheme Effective Time and no issuances of Shares by the Company other than pursuant to the Scheme.

(3) Prior to the Scheme Effective Time, Sébastien de Montessus will transfer all of his Old EDV Shares into a trust for the benefit of his family. The shareholdings stated above for Sébastien de Montessus will be transferred to that trust. Sébastien de Montessus will not be a beneficiary under that trust.

(4) Naguib Sawiris is Chairman of La Mancha, which is a major shareholder in the Company (see paragraph 12 of this Part 17 (*Additional Information*)). As at the Last Practicable Date, Mrs. Yousriya Nassif Loza is the ultimate beneficial owner of La Mancha. Naguib Sawiris is not a beneficial owner of Shares or any other interests in the Company or the Group.

(5) At the Last Practicable Date, Tablo Corporation, a privately-held investment holding company controlled by David Mimran, holds 15,578,307 Old EDV Shares, representing 6.2 per cent. of the issued ordinary share capital of Old EDV.

6) The shareholdings of Patrick Bouisset stated above are notional. As at the Last Practicable Date, he is expected to hold 404,308 shares in Endeavour Gold Corporation on Admission which may be redeemed for cash or, following Admission, Shares and which are anticipated to be broadly equivalent to 404,308 Shares immediately following Admission.

(7) The shareholdings of Henri De Joux stated above are notional. As at the Last Practicable Date, he is expected to hold 156,639 shares in Endeavour Gold Corporation on Admission which may be redeemed for cash or, following Admission, Shares and which are anticipated to be broadly equivalent to 156,639 Shares immediately following Admission.

9.4 Except as disclosed in this Prospectus, no Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of the Group or any of its subsidiary undertakings and which were effected by the Group or any of its subsidiaries during the current or immediately preceding financial year or during an earlier financial year and which remain in any respect outstanding or unperformed.

9.5 There are no outstanding loans or guarantees granted or provided by any member of the Group to or for the benefit of any of the Directors or Senior Managers.

9.6 There are no family relationships between any of the Directors and/or the Senior Managers.

9.7 Except as disclosed in this Prospectus, as at the date of this Prospectus none of the Director or Senior Managers has, at any time within the last five years:

9.7.1 had any prior convictions in relation to fraudulent offences;

9.7.2 been declared bankrupt or been the subject of any individual voluntary arrangement;

9.7.3 been associated with any bankruptcies, receiverships or liquidations when acting in the capacity of a member of the administrative, management or supervisory body or of a senior manager;

9.7.4 been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including designated professional bodies);

9.7.5 been disqualified by a court from acting in the management or conduct of the affairs of any issuer;

9.7.6 been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer;

9.7.7 been a partner or senior manager in a partnership, which, while or she was a partner or within 12 months of his or her ceasing to be a partner, was put into compulsory liquidation or administration or which entered into any partnership voluntary arrangement;

9.7.8 owned any assets which have been subject to receivership or been a partner in a partnership subject to a receivership where he or she was a partner at the time or within the 12 months preceding such event; or

9.7.9 been an executive director or senior manager of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation or administration

or which entered into any company voluntary arrangement or any composition or arrangement with its creditors generally or any class of creditors, at any time during which he or she was an executive director or senior manager of that company or within 12 months of his or her ceasing to be an executive director or senior manager.

10 Directors' terms of employment

10.1 Executive Director

10.1.1 *Terms of employment*

Sébastien de Montessus is Chief Executive Officer and President of the Group and entered into a service agreement with the Company dated 8 June 2021. This replaced any previous agreement with Mr de Montessus in relation to the provision of his services to the Group, although certain of his pre-existing terms have been broadly replicated.

Any future payments made or benefits granted to Mr de Montessus (including on termination of his service agreement) will be subject to any remuneration policy approved by the Shareholders from time to time.

10.1.2 *Base salary*

The service agreement provides for a base salary of USD1,600,000 per annum, which will be reviewed annually.

10.1.3 *Incentive schemes*

Mr de Montessus is eligible to participate in the Company's short term incentive plan (the STIP) and the Company's Executive Performance Share Plan and such other long and/or short-term incentive schemes as the Company shall determine from time to time subject to, and in accordance with, the rules of the relevant plan or scheme. Mr de Montessus is eligible for awards under the STIP, which will be subject to annual performance conditions, with STIP targets set at 150% of base salary and with a maximum payout level of 250% of base salary. Mr de Montessus will be granted awards under the Executive Performance Share Plan of 400% of base salary in respect of the fiscal years ending 31 December 2022 and 31 December 2023. Awards under both the STIP and the Executive Performance Share Plan are subject to the remuneration policy referred to in paragraph 11 below and, respectively, the rules of the STIP and the Company's Executive Performance Share Plan.

10.1.4 *Pension and other benefits*

Benefits include the provision of private health insurance cover for Mr de Montessus and his family, the provision of life and long-term disability insurance cover for Mr de Montessus and the payment of expenses.

Mr de Montessus is entitled to 25 days' paid holiday per annum (in addition to public and statutory holidays in England) and, provided he is not accruing benefits under the Company's pension scheme (and no contributions are being paid to the scheme by or in respect of him), is entitled to receive payments from the Company equivalent to the contributions the Company would otherwise make into its pension scheme in respect of him in line with Company policy from time to time.

The Company will have customary directors' and officers' indemnity insurance in place in respect of Mr de Montessus and he will have the benefit of a deed of indemnity against certain liabilities that may be incurred as a result of his office to the extent permitted by section 234 of the Companies Act 2006.

10.1.5 *Termination of employment*

The service agreement is terminable by the Company or by Mr de Montessus on six months' written notice. Alternatively (and without prejudice to Mr de Montessus' right to receive the Termination Payment or, as appropriate, the Change of Control Payment,

which are explained below), the Company may elect to terminate the service contract by making payment in lieu of notice of a sum equal to the basic salary and contractual benefits (excluding any entitlement to variable remuneration or pension) Mr de Montessus would have been entitled to receive during any unexpired period of notice. Payment in lieu of notice can be made in monthly instalments, subject to mitigation.

Mr de Montessus' pre-existing terms provided for payments on termination in certain circumstances (including following a change of control). These terms have been broadly replicated (with some amendments) in Mr de Montessus' service agreement with the Company.

If the Company terminates the service agreement by giving Mr de Montessus notice (or constructively dismisses him) or if the Company is unable to grant, pay or otherwise satisfy any of the three awards referred to in paragraph 10.1.3 above solely because the remuneration policy is not approved by the Company's shareholders and Mr de Montessus resigns within four months of such approval not being given (or such longer period as Mr de Montessus and the Company agree in writing) in response to such approval not being given or a revised remuneration policy not being approved by the shareholders, Mr de Montessus will be entitled to receive: (i) payments in respect of accrued but unpaid entitlements up to his termination date; (ii) payment of an amount equal to 24 months of basic salary and amounts under the STIP (calculated as an average of the amounts paid to Mr de Montessus under the STIP during the two fiscal years preceding his termination date, save that if this requires consideration of fiscal years ending before 31 December 2022, the payment in respect of the STIP shall be calculated by reference to either: (a) if an award under the STIP has not yet been determined in respect of the fiscal year ending 31 December 2021, 2 x 1.5 x Mr de Montessus' annual basic salary; or (b) if an award under the STIP has been determined in respect of the fiscal year ending 31 December 2021, the amount of that award plus 1.5 x Mr de Montessus' annual basic salary); (iii) to the extent permitted by the relevant insurance provider and the terms of the relevant insurance scheme rules from time to time, continued participation in the Company's private medical insurance, long term disability and life insurance schemes for a period of three months following the termination date; and (iv) in relation to any awards made to Mr de Montessus under the STIP where the termination date falls within the relevant performance period or after the relevant performance period but before the relevant payment date, payment of such awards pro-rated by reference to the period from the start of the bonus year up to the termination date and calculated based on bonus target for the relevant bonus year without applying any performance conditions (the "**Termination Payment**"). The Termination Payment shall be reduced by any amounts paid by the Company to Mr de Montessus as payment in lieu of notice.

Alternatively, if either Mr de Montessus or the Company terminates the service agreement by giving the other notice within six months following a change of control, Mr de Montessus will be entitled to receive: (i) payments in respect of accrued but unpaid entitlements up to his termination date; (ii) payment of an amount equal to 24 months of basic salary and amounts under the STIP (calculated as an average of the amounts paid to Mr de Montessus under the STIP during the two fiscal years preceding his termination date), save that if this requires consideration of fiscal years ending before 31 December 2022, the payment in respect of the STIP shall be calculated by reference to either: (a) if an award under the STIP has not yet been determined in respect of the fiscal year ending 31 December 2021, 2 x 1.5 x Mr de Montessus' annual basic salary; or (b) if an award under the STIP has been determined in respect of the fiscal year ending 31 December 2021, the amount of that award plus 1.5 x Mr de Montessus' annual basic salary; and (iii) in relation to any awards made to Mr de Montessus under the STIP where the termination date falls within the relevant performance period or after the relevant performance period but before the relevant payment date, payment of such awards pro-rated by reference to the period from the start of the bonus year up to the termination date and calculated based on bonus target for the relevant bonus year without applying any performance conditions (the "**Change of Control Payment**"). The Change of Control Payment shall be reduced by any amounts paid by the Company to Mr de Montessus as payment in lieu of notice.

Payment of the Termination Payment and the Change of Control Payment is conditional on Mr de Montessus complying with his obligations to return company property and on him executing a full and final release of claims in favour of the Group in a form acceptable to the Company in its reasonable opinion.

In the event that the service agreement is terminated by the Company following a period of longterm sickness absence by Mr de Montessus, or if Mr de Montessus dies, he or his estate, asapplicable, will be entitled to: (i) accrued but unpaid basic salary and expenses and payment inlieu of any accrued but untaken holiday; and (ii) payment under the STIP pro-rated to thetermination date.

The service agreement may also be terminated immediately, without compensation or payment of the Termination Payment or Change of Control Payment, upon the occurrence of certain summary termination events, including dishonesty, gross misconduct, failure to perform his duties under the service agreement to the standard required, materially damaging the interest of the Company, becoming disqualified from being a director, being bankrupted or being convicted of a criminal offence (other than a motoring offence which does not result in imprisonment), save that: (i) in the case of any breach capable of remedy, Mr de Montessus shall be given the opportunity to remedy such breach; and (ii) no act or omission of Mr de Montessus prior to 28 June 2016 (the date of his appointment as CEO) shall be relied on by the Company (whether directly or indirectly) as grounds for immediate termination of the service agreement.

The treatment of Mr de Montessus' incentive awards, including awards under the Executive Performance Share Plan, following termination shall be determined in accordance with andsubject to the applicable plan rules or schemes in place from time to time.

10.1.6 *Confidentiality and other undertakings*

Mr de Montessus is bound by post-termination restrictions, including in relation to confidentiality, intellectual property and post-termination restrictive covenants (including a non-compete restriction).

10.2 Non-Executive Directors

10.2.1 *Term of appointment*

Michael Beckett was appointed as Chair of the Company with effect from 8 June 2021, and the terms of his appointment are outlined in a letter of appointment dated 8 June 2021. Michael Beckett has served as the Chair of Endeavour since 6 November 2008.

Each of the other Non-Executive Directors was appointed by a letter of appointment. The terms of each of their appointments are outlined in a letter of appointment with the Company, a summary of which is set out below.

Name	Position	Date of joining the Board[1]
Michael Beckett	Chair	September 2010
Naguib Sawiris	Non-Executive Director	27 November 2015
David Mimran	Non-Executive Director	10 February 2021
James Askew	Non-Executive Director	20 July 2017
Sofia Bianchi	Independent Non-Executive Director	5 November 2019
Alison Baker	Independent Non-Executive Director	5 March 2020
Livia Mahler	Independent Non-Executive Director	1 October 2016
Tertius Zongo	Independent Non-Executive Director	1 July 2020
Carmen Letton	Independent Non-Executive Director	25 May 2021

Note:

(1) The dates stated are those on which the Directors joined the board of directors of Old EDV.

For the Chair and Non-Executive Directors, each appointment is for a fixed term ending on the Company's first annual general meeting following the expected admission of the Company to the London Stock Exchange but each appointee may be invited by the Company to serve for a further period or periods. The appointments of Naguib Sawiris and James Askew are expected to continue for so long as each of them is nominated as a Director pursuant to the Relationship Agreement. In any event, each appointment is subject to annual re-election by shareholders at each annual general meeting.

The Chair's appointment may be terminated at any time by either party giving the other 30 days' written notice or in accordance with the Articles.

The appointment of each Non-Executive Director may be terminated at any time by either party giving the other three months' written notice or in accordance with the Articles.

10.2.2 *Remuneration and benefits*

The Chair is entitled to receive an annual fee of US$400,000. The base annual fee for each Non-Executive Director is US$170,000. An additional fee of: (i) US$40,000 per annum will be paid for chairing the Audit Committee, (ii) US$40,000 per annum will be paid for chairing the Remuneration Committee, (iii) US$30,000 per annum will be paid for chairing each other Board committee, and (iv) US$20,000 per annum will be paid for being a member of any Board committee. Non-Executive Directors will receive all of their committee fees as DSUs and may elect to receive up to 100 per cent. of their total fees as DSUs, as described in Section 13.4 below.

The Chair and Non-Executive Directors are also entitled to reimbursement of reasonable and properly incurred expenses (including travel expenses).

10.2.3 *Confidentiality and other undertakings*

The Chair and Non-Executive Directors are subject to confidentiality undertakings.

The Chair and the Non-Executive Directors will each have the benefit of an indemnity from the Company (the terms of which are in accordance with the Companies Act and the Articles) and appropriate directors' and officers' liability insurance. The Chair and each Non-Executive Director will also be entitled to consult independent professional advisors at the Company's expense where appropriate in the furtherance of their duties as Directors.

10.3 Directors' and Senior Managers' Remuneration

Under the terms of their service contracts or letters of appointment (as applicable) and applicable incentive plans, in the financial year ended 31 December 2020, the aggregate remuneration paid to Directors and Senior Managers by the Group for services in all capacities was U.S.$5,942,610.

The total remuneration paid and benefits in kind granted to each of the Directors is set out below:

Name	Position	Remuneration	Other Benefits
		(US$)	(US$)
Michael Beckett	Chair	381,667	0
Sébastien de Montessus	Executive Director	3,852,725[1]	613,575
James Askew	Non-Executive Director	220,000	0
David Mimran	Non-Executive Director	N/A[2]	N/A
Naguib Sawiris	Non-Executive Director	170,000	0
Alison Baker	Independent Non-Executive Director	159,643	0
Sofia Bianchi	Independent Non-Executive Director	220,000	0
Carmen Letton	Independent Non-Executive Director	N/A[3]	N/A
Livia Mahler	Independent Non-Executive Director	225,000	0
Tertius Zongo	Independent Non-Executive Director	100,000	0

Note:

(1) The figure included for Sébastien de Montessus reflects his remuneration as Chief Executive Officer and Director of Old EDV.

(2) David Mimran was appointed as a director of Old EDV on 10 February 2021. As such, he was not eligible to receive any salary, fees or other benefits for the financial year ending 31 December 2020.

(3) Carmen Letton was appointed as a director of Old EDV on 25 May 2021. As such, she was not eligible to receive any salary, fees or other benefits for the financial year ending 31 December 2020.

The restructuring resulting from the implementation of the Scheme will trigger additional costs and cash-flow effects for the CEO. To ensure retention of the CEO, and bearing in mind the strategic importance to the Company of admission to listing on the premium listing segment of the Official List and to trading on the Main Market, the Board has determined to compensate the CEO for his costs related to the restructuring to prevent him from being financially disadvantaged. Such amount is equal to US$10 million and represents the CEO's additional costs between 2021 and 2023. The total amount will be paid in tranches in each such year and is conditional upon the CEO's continued employment (subject to good leaver provisions) at that time. This restructuring cost award is a one-off event which will not recur in future and will be disclosed in the Company's 2021 Directors' Remuneration Report.

There is no arrangement under which any Director has waived or agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this Prospectus.

11 Remuneration policy

The Board believes that share ownership should form a central part of the culture and incentives structure for the Executive Director(s) and senior management of the business.

Upon Admission, the Company intends to seek advice on the implementation of a remuneration policy appropriate for a company listed in the UK and Canada and consistent with these principles.

The Remuneration Committee will oversee the implementation of the Company's remuneration policy in respect of the Chair and Executive Director and, in particular, will seek to ensure that the Executive Director is fairly rewarded for the Company's performance and their individual performance over the short- and long-term. A significant proportion of potential total remuneration for the Executive Director is therefore likely to be performance-related. The Board will retain responsibility for setting the policy for and overseeing Non-Executive Director remuneration.

In accordance with the regulations set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, shareholder approval will be sought for the new remuneration policy, at the first annual general meeting of the Company following Admission.

12 Major Shareholders

12.1 In so far as is known to the Directors, as at the Last Practicable Date, the following are the interests (within the meaning of Part 22 of the Act) which represent, or will represent, directly or indirectly, 3 per cent. or more of the issued share capital of the Company (being the threshold for notification of interests that apply to shareholder of the Company pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

Shareholders	Number of Old EDV Shares as at the Scheme Effective Date	% of issued share capital of Old EDV[(1)]	Total number of Shares as expected immediately following Admission	% of issued share capital of the Company following Admission[(2)]
La Mancha[(3)]	48,228,223	19.3	48,228,223	19.3
Tablo Corporation	15,578,307	6.2	15,578,307	6.2
Van Eck Associates Corporation	23,967,000	9.6	23,967,000	9.6
BlackRock Investment Management (UK) Ltd	31,712,936	12.7	31,712,936	12.7

Notes:

(1) The percentages of the issued share capital of Old EDV expected as the Scheme Effective Time have been stated on the basis that there will be no changes to the issued share capital of Old EDV between the Last Practicable Date (having deducted those Old EDV Shares held by Old EDV as at the Last Practicable Date for cancellation prior to the Scheme Effective Time) and the Scheme Effective Date.

(2) The percentages of the issued share capital following Admission have been stated on the basis that Admission has become effective as proposed in this Prospectus and that there will no changes to the issued share capital Old EDV between the Last Practicable Date (having deducted those Old EDV Shares held by Old EDV as at the Last Practicable Date for cancellation prior to the Scheme Effective Time) and the Scheme Effective Time and no issuances of Shares by the Company other than pursuant to the Scheme.

(3) Naguib Sawiris is Chairman of La Mancha and as such has influence over La Mancha but does not exercise control over its voting rights in respect of Shares.

12.2 Save as disclosed above, in so far as is known to the Directors, there is no other person who is or will be as at the Last Practicable Date, directly or indirectly, interested in 3 per cent. or more of the total voting rights attaching to the issued share capital of the Company.

12.3 The Directors are not aware of any other person who, as at the Last Practicable Date, can, will or could, directly or indirectly, jointly or severally, exercise control over the Company nor are the Directors aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

12.4 None of the Company's shareholders referred to above has or will have different voting rights from any other holder of Shares in respect of any of the Shares held by them.

13 Employee share plans

13.1 Overview

The Company has four incentive plans which will be used after Admission. These are largely based on the incentive plans which Old EDV operated prior to Admission (excluding the Teranga Options) but amended to take account of the Admission and the fact that the Company is incorporated in the UK.

The Employee Share Plans are as follows:

13.1.1 Employee PSU Plan;

13.1.2 Executive PSU Plan for Non UK Participants;

13.1.3 Deferred Share Unit Plan; and

13.1.4 Performance Share Plan.

In addition to the Employee Share Plans, awards are outstanding under the Old EDV Plans. The terms and the treatment of these awards at the Scheme Effective Time are discussed in paragraph 13.6 below.

13.2 Key Terms of the Performance Share Unit Plans

Under the Employee PSU Plan and the Executive PSU Plan for Non UK Participants, selected employees of the Group and certain consultants or other service providers can be granted PSUs.

13.2.1 *Vesting*

PSUs normally vest on the date determined when the PSU is granted. The level of vesting maybe subject to performance or other conditions and the PSUs will lapse to the extent that such conditions are not met. On vesting of a PSU, the participant is entitled to one Share or a cash equivalent based on the market value of a Share at the date of settlement.

13.2.2 *Dividend equivalent*

The participant will also receive additional PSUs to reflect the dividends paid between the date of grant and vesting on the number of PSUs held. This is based on the price of a Share on the record date of the dividend. The additional PSUs vest on the same basis as the PSUs to which they relate.

13.2.3 *Leaving the Group*

Any unvested PSUs will normally lapse if the participant leaves the Group. But if the participant leaves:

(a) in the case of the Employee PSU Plan, on or after the first anniversary of starting with the Group (or after such other date set in the grant certificate) for certain specified reasons including retirement, or approved leave of absence of more than six months; or

(b) in the case of the Executive PSU Plan for Non UK Participants (subject to the treatment for executives set out below), more than two years after starting with the Group because of retirement, death, ill-health, disability, redundancy termination without cause or retirement for good reason or sale of their employer or any other reason if the Remuneration Committee so decides,

the PSUs will continue in effect. When they eventually vest, the level of vesting will be determined in accordance with any applicable performance conditions and then, unless the Remuneration Committee decides otherwise, be reduced on a pro-rata basis to reflect the fact that the participant left early.

Alternatively, the Remuneration Committee may decide that the PSU will vest on leaving in these circumstances, in which case the level of vesting will be determined having regard to the extent to which any performance conditions are met and, unless the Remuneration Committee decides otherwise, reduced on a pro-rata basis.

In the case of the Executive PSU Plan for Non UK Participants, where a leaver is an executive who commenced service five years or more before the date of Admission, any unvested PSUs shall vest on leaving with the level of vesting pro-rated as described above. The performance multiplier will be treated as being a minimum of one and any performance targets or other conditions will be treated as having been met at a minimum of target level (but may vest to a greater extent based on the extent to which the performance multiplier, performance target and any other conditions are met at that time or are likely to be met).

Under the Employee PSU Plan, PSUs vest in full if the participant dies or leaves because of disability.

13.2.4 *Change of control*

On a change of control of the Company, PSUs under the Executive Performance Share Unit Plan for Non UK Participants will normally vest in full. On a restructuring of the Group, PSUs may continue in effect and be exchanged for equivalent PSUs over any new holding company.

PSUs granted under the Employee PSU Plan will not, unless the Remuneration Committee decides otherwise, vest on a change of control but may be exchanged for equivalent PSUs over the company which acquires control.

13.3 Key terms of the Performance Share Plan

Under the Performance Share Plan, Performance Shares in Endeavour Gold Corporation are issued to and held by selected employees and directors and certain consultants or other service providers of the Group. The Performance Shares are held by or for the participant from the date of grant. The terms on which they are held are broadly similar to those of the PSUs described above.

13.3.1 *Vesting*

On vesting, Endeavour Gold Corporation or the participant may redeem the Performance Shares. On redemption, the participant will receive the amount specified in the Subscription Agreement which can be paid in Shares or cash.

On lapse the Performance Shares are forfeited.

13.3.2 *Leaving the Group*

Treatment of Performance Shares on leaving the Group is broadly similar to that described above for the Executive PSU Plan for Non UK Participants.

13.3.3 *Dividend Equivalent*

As with the Performance Share Unit Plans, the Dividend Equivalent on Performance Shares operates in relation to dividends paid on Shares.

13.3.4 *Change of control*

On a change of control of the Company, Performance Shares will normally vest in full. On a restructuring of the Group, Performance Shares may continue in effect with the redemption consideration being payable in shares in the new holding company, rather than Shares.

13.4 Key terms of Deferred Share Unit Plan

Under this plan, selected non-employee directors of the Company and its subsidiaries may choose to receive some or all of their retainer in the form of a Deferred Share Unit. The number of DSUs is based on the market value of a Share at the time of award.

13.4.1 *Vesting and payout*

DSUs normally vest on date(s) determined by the Company when the DSU is granted.

On one or two dates selected by the participant which are at least 90 days after the date the participant ceases to hold any position with the Group (and no later than 31 December of the calendar year following that in which the participant so ceases), the participant is entitled to a cash payment equal to the market value of a Share at that time multiplied by the number of outstanding DSUs.

13.4.2 *Dividend equivalent*

The Dividend Equivalent is determined in much the same way as for PSUs (as described above) but the dividend equivalents are fully vested at the time they are credited.

13.4.3 *Leaving the Group*

On ceasing to hold any position with the Group (other than on death) all unvested DSUs will normally lapse. DSUs are paid out in full following death.

13.4.4 *Change of control*

On a change of control of the Company, outstanding DSUs will vest in full unless the Company decides that they will be cancelled. On a restructuring of the Group, DSUs may be exchanged for equivalent DSUs over shares in any new holding company.

13.5 Common terms of the Employee Share Plans

The common principal terms of the Employee Share Plans are summarised below.

13.5.1 *Individual limits*

Awards to any director of the Company will be subject to any limits set out in any approved directors' remuneration policy, from time to time.

No more than 3 per cent. of outstanding Shares (on a non-diluted basis) may be issued to any one reporting insider and their associates within any one-year period under the Employee Share Plans.

13.5.2 *Holding period*

Awards granted to the Executive Director will (and granted to others may) be subject to a post-vesting holding period (except to cover tax and similar limited exceptions) during which settlement of the award (or redemption, in the case of the Performance Share Plan) is delayed. Participants' rights are not normally affected if they leave during the holding period.

The Remuneration Committee will set the length of the holding period at grant which will not normally be less than two years from vesting. The holding period may end early on a change of control or on death of the participant or at other times at the discretion of the Committee.

13.5.3 *Malus and clawback*

The Remuneration Committee can decide to reduce awards (other than DSUs) and/or the extent of vesting and/or claw back Shares or cash received in certain circumstances e.g. material misstatement of accounts, errors in calculation, and behaviour during employment resulting in material reputational damage.

13.5.4 *Changes in share capital*

If there is a rights issue, demerger, special dividend or other corporate event which might affect the value of a PSU, Performance Share or DSU, the Remuneration Committee may, subject to the prior approval of the TSX (if required), adjust the description, number and/or class of Shares.

If the Company is reorganised, amalgamated with another corporation or consolidated, the Committee can make such provisions for the protection of the rights under Performance Shares and PSUs as it sees fit.

13.5.5 *Dilution controls*

In any ten-year period, the number of Shares which may be issued or issuable under the Employee Share Plans and under any other discretionary share plan adopted by the Company may not exceed 5 per cent. of the issued ordinary share capital of the Company from time to time.

In any ten-year period, the number of Shares which may be issued or issuable under the Employee Share Plans and any other employees' share plan operated by the Company may not exceed 10 per cent. of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise. Shares issued or issuable in connection with awards or options granted under the share plans of Old EDV or any dividend equivalents are ignored.

The total number of Shares issuable under the Employee Share Plans (not including awards already settled or lapsed) must not exceed 5 per cent. of the total number of Shares issued and outstanding from time to time on a non-diluted basis.

Shares issued or issuable to reporting insiders and their associates under all the Employee Share Plans must not be more than 5 per cent. of the Shares outstanding at the time of the issuance (on a non-diluted basis).

13.5.6 *Changes to the* Employee *Share Plans*

The Board can amend the Employee Share Plans in any way but shareholder approval will be required to amend certain provisions to the advantage of participants, in addition to such other matters that may require shareholder approval under the rules and policies of the Toronto Stock Exchange or the Listing Rules. These provisions relate to: eligibility; individual and plan limits; rights attaching to options and shares; adjustments on variation in the Company's share capital; and the amendment power.

The Board can, without shareholder approval:

(a) change the Employee Share Plans to obtain or maintain favourable tax treatment;

(b) make certain minor amendments e.g. to benefit administration;

(c) establish further plans based on the plans, but modified to take account of local securities laws, exchange controls or tax legislation (but shares made available under such further plans will be treated as counting against any limits on participation in the main plan); and

(d) change any performance condition in accordance with its terms of if anything happens which causes the Remuneration Committee to consider it appropriate to do so.

Shareholder approval is also required for the following amendments:

(e) increasing the maximum number of Shares that can be issued under the Employee Share Plans as a percentage of the total number of Shares issued and outstanding from time to time on a non-diluted basis;

(f) removing or exceeding the insider participation limits;

(g) any change which would permit members of the Board who are not employees of the Group or any Affiliate to participate in the Employee Share Plans; and

(h) amending the amendment provisions.

13.5.7 *General*

Awards may be satisfied using newly issued Shares, Shares in treasury or Shares purchased in the market or cash, at the Company's election. However, DSUs are only satisfied in cash.

Any Shares issued pursuant to the Employee Share Plans will rank equally with Shares in issue on the date of allotment except in respect of rights arising by reference to a prior record date.

The vesting and exercise of awards and options and the issue or transfer of Shares are subject to obtaining any necessary approvals or consents from the FCA, the Company's Rules on Share Dealing and any other applicable laws or regulations.

Awards are not transferable (other than on death or in exceptional circumstances) and are not pensionable.

13.6 Treatment of the Old EDV Plans

13.6.1 *Overview*

The Old EDV Plans comprise four plans, each of which corresponds to and is on broadly the same terms as one of the Employee Share Plans (as described above) plus the Teranga Options. The main differences between the Old EDV Plans (other than the Teranga Options) and the Employee Share Plans are as follows:

(a) Where awards do not lapse on leaving the Group, awards vest on leaving (with a pro-rata reduction as described above) rather than continuing in effect.

(b) The situations in which malus and clawback can be operated are narrower.

(c) There is no provision for holding periods.

(d) Shareholder approval is required for a slightly narrower range of changes to the plans (in accordance with the rules and policies of the Toronto Stock Exchange).

The Teranga Options were granted by and over shares in Teranga Gold Corporation but were exchanged for options to purchase Old EDV Shares in connection with the acquisition of Teranga Gold Corporation. The key terms of the Teranga Options are as follows:

(a) The Teranga Options will lapse, at the latest six years after grant.

(b) If the participant leaves the Group, unvested options normally lapse and vested options are exercisable for a limited period but unvested options of a non-executive director of the Teranga Gold Corporation will vest on retirement.

(c) All options will lapse on termination for cause.

(d) On a change of control, vesting and exercise of options can be accelerated or the terms of the option can be amended or modified.

(e) Teranga Gold Corporation has broad discretion to amend the terms of the Teranga Options subject to shareholder approval where required. In particular, shareholder approval is required for any reduction in the exercise price or extension of the lapse date of an option.

No new awards will be made under the Old EDV Plans after the Scheme Effective Date.

13.6.2 *Awards outstanding under Old EDV Plans*

As at the Last Practicable Date, PSUs, DSUs and Teranga Options are outstanding over 4,220,299 Old EDV Shares under the Old EDV Share Plans as follows:

PSUs and DSUs			
Name of Old EDV Plan	**Normal vesting date**	**Number of Old EDV Shares subject to PSUs/DSUs**	**Number of Shares subject to PSUs/DSUs**
Old EDV Employee PSU Plan	30 June 2021	159,479	159,479
	31 December 2021	265,917	265,917
	31 December 2022	292,609	292,609
	31 December 2023	352,656	352,656
Old EDV Executive PSU Plan for Non UK Participants	30 June 2021	59,815	59,815
	31 December 2021	224,714	224,714
	31 December 2022	229,171	229,171
	31 December 2023	220,074	220,074
Old EDV Deferred Share Unit Plan	N/A	136,785.063	136,785.063

Teranga Options[1]			
Expiry Date	**Exercise price**	**Number of Old EDV Shares subject to options**	**Number of Shares subject to options**
4 June 2021	31.92	2,350	2,350
13 August 2021	31.92	33,840	33,840
20 December 2021	31.92	92,590	92,590
24 February 2022	31.92	34,780	34,780
7 March 2022	8.94	18,800	18,800
29 March 2022	8.83	7,520	7,520
5 June 2022	31.92	132,148	132,148
27 September 2022	31.92	63,917	63,917
9 October 2022	31.92	4,700	4,700
31 October 2022	31.92	56,400	56,400
3 December 2022	31.92	56,400	56,400
10 February 2023	31.92	7,520	7,520
10 February 2023	8.92	429,320	429,320
10 February 2023	10.18	7,050	7,050
10 February 2023	8.26	2,820	2,820
10 February 2023	8.30	1,057	1,057
10 February 2023	9.35	587,120	587,120
10 February 2023	8.92	23,500	23,500
10 February 2023	6.60	1,820	1,820
10 February 2023	17.52	597,723	597,723

Note:

(1) All Teranga Options vested on 10 February 2021.

As at the Last Practicable Date, Performance Shares have been issued over 3,543,701 Endeavour Gold Corporation shares under the Old EDV Performance Share Plan, which may be redeemed for cash or Old EDV Shares (and are anticipated to be broadly equivalent to 1,909,190 Old EDV Shares adjusted by the performance multiplier).

13.6.3 *Treatment of outstanding awards under the Old EDV Plans*

Awards under the Old EDV Plans will continue in effect after Admission but, on vesting or redemption, participants will receive cash or Shares, rather than cash or Old EDV Shares. The number of Shares subject to each such award will be based on the number of Shares which each Old EDV Shareholder will receive for each Old EDV Share under the Scheme. The number of Shares subject to the outstanding PSUs and DSUs under the Old EDV Plans is set out in the table above.

If the Performance Shares under the Old EDV Performance Share Plan were fully-settled in Shares, they are anticipated to be broadly equivalent to 1,909,190 Shares adjusted by the performance multiplier.

The total amount payable to exercise each Teranga Option in full will remain the same.

The Old EDV Plans will also be amended so that references to Old EDV are references to the Company and references to Old EDV Shares will be treated as references to Shares.

13.7 Employee benefit trust

The Company has established the Endeavour Mining employee benefit trust (the "**Trust**") which can be used for the purpose of providing benefits to employees, including engaging with the Company as necessary to satisfy awards and options granted under the Company's share plans through the provision of Shares.

The Trust can either subscribe for these Shares or, to the extent that funds are provided by the Group companies by way of loans and other contributions, purchase Shares in the open market.

In line with best practice for employee benefit trusts, any Shares for which the Trust subscribes will be counted towards the applicable dilution limits and at no time will the Trust hold Shares representing more than 6 per cent. of the Company's then issued share capital.

14 Pensions

The Group currently operates pension schemes and contributes to a number of social security and end-of-service benefit arrangements in different jurisdictions.

Through the operation of these pension schemes and the contributions noted above the Group currently meets its statutory obligations regarding pension schemes and end-of-service benefit arrangements globally.

The relevant arrangements are defined contribution in nature under which the Group pays fixed contributions. The Group has no legal or constructive obligations to pay further contributions if the relevant fund does not hold sufficient assets to pay all employees.

15 Subsidiaries, investments and principal establishments

15.1 Subsidiaries and subsidiary undertakings

The Company is the principal holding company of the Group. As at the date of this Prospectus, the subsidiaries and subsidiary undertakings of the Company (excluding any companies in liquidation) are as follows:

Name	Country of incorporation	Ownership	Primary field of activity
Société des Mines d'Ity S.A	Côte d' Ivoire	85%	Gold Operations
Société des Mines de Daapleu S.A	Côte d' Ivoire	85%	Gold Operations
Houndé Gold Operations S.A	Côte d' Ivoire	90%	Gold Operations
Bouéré Dohoun Gold Operations SA	Burkina Faso	90%	Gold Operations
Riverstone Karma S.A	Burkina Faso	90%	Gold Operations
Semafo Burkina Faso S.A	Burkina Faso	90%	Gold Operations
Semafo Boungou S.A	Burkina Faso	90%	Gold Operations
Wahgnion Gold Operations SA	Burkina Faso	90%	Gold Operations
Endeavour Mining Corporation	Cayman	100%	Holding
Endeavour Gold Corporation	Cayman	100%	Holding
Karma Mining Holdings Ltd	Barbados	100%	Holding
Semafo Inc	Quebec	100%	Holding
Teranga Gold Corporation	Canada	100%	Holding
Burkina Faso Gold SARL	Burkina Faso	100%	Exploration
Mana Minéral SARL	Burkina Faso	100%	Exploration
Birimian Resources SARL	Burkina Faso	100%	Exploration
La Mancha Côte d'Ivoire Sàrl	Côte d' Ivoire	100%	Exploration
Massawa SA	Senegal	90%	Exploration
Sabodala Gold Operations SA	Senegal	90%	Exploration
Société des Mines d'Or de Kalana	Mali	80%	Project

16 Statutory auditors

The auditors of the Group are BDO LLP, whose registered address is at 55 Baker Street, London, W1U 7EU, United Kingdom. BDO LLP are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. BDO LLP have audited the statutory consolidated annual accounts of the Group for the year ended 31 December 2020. Deloitte LLP (Canada) reported on the statutory accounts of the Group (excluding the Company) for the years ended 31 December 2019 and 2018, and whose registered address is at 939 Granville Street, Vancouver, British Columbia, V6B 1L3 Canada.

The Company was incorporated on 21 March 2021 and the end of its first financial period is 31 December 2021.

17 Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group: (a) within the two years immediately preceding the date of this Prospectus which are, or may be, material to the Company or any member of the Group, or (b) at any time and contain provisions under which the Company or any member of the Group has an obligation or entitlement which is, or may be, material to the Company or any member of the Group as at the date of this Prospectus:

17.1 Relationship Agreement

The Company has entered into a relationship agreement with La Mancha dated 8 June 2021, the terms of which will come into force on Admission. The Relationship Agreement will in effect replace the existing investor rights agreement between Old EDV and La Mancha, which will terminate effective on Admission.

The Relationship Agreement provides that for so long as La Mancha and its associates hold an interest that in aggregate:

(a) is equal to or greater than 15 per cent. of the issued ordinary share capital of the Company, La Mancha shall have the right to appoint two Directors to the Board; and

(b) is equal to or greater than 10 per cent. of the issued ordinary share capital of the Company, La Mancha shall have the right to appoint one Director to the Board.

La Mancha has agreed that neither it nor any of its associates shall take any action which would prevent each of the Audit Committee and the Remuneration Committee consisting only of independent Directors (where independence is determined by the Board in accordance with the UK Corporate Governance Code).

The Relationship Agreement includes provisions to ensure that the Group is able to do business independently of La Mancha and its associates.

The Relationship Agreement provides that La Mancha and its associates shall, inter alia and subject to customary exceptions:

(a) ensure that all transactions and relationships between La Mancha and/or any of its associate and the Company or any member of the Group are conducted on arm's length terms and on a normal commercial terms;

(b) not take any action that would have the effect of preventing the Company from complying with its obligations under the Listing Rules; and

(c) ensure that neither it nor any of its associates will propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

La Mancha has also agreed in the Relationship Agreement that, subject to customary exceptions, it shall not, and shall procure that its respective associates shall not, take any action that would, or which would be reasonably likely to have the effect of:

(a) preventing any member of the Group from carrying on an independent business for the benefit of the Company's shareholders as a whole;

(b) prejudicing the Company's listings on the Official List and the Toronto Stock Exchange; or

(c) preventing the Company from complying with its obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules, the requirements of the London Stock Exchange, the FSMA, the Financial Services Act 2012, the Market Abuse Regulation, the Takeover Code or Canadian securities laws.

In addition, La Mancha has agreed in the Relationship Agreement that, subject to customary exceptions:

(a) neither it nor any of its associates shall exercise any of its voting or other rights and powers to procure any amendment to the Articles which would be breach any provision of the Relationship Agreement;

(b) it and its associates shall abstain from voting, and shall procure that any representative of it on the Board abstains from voting, on any resolution to approve a related party transaction involving it, or its associates (or the related party); and

(c) it and its associates shall exercise their voting rights exercisable at general meetings of the Company to give effect to, and in a manner that is compliant with, the terms of the Relationship Agreement.

La Mancha has agreed that disposals of Shares or securities convertible into Shares by it through the facilities of a stock exchange shall take place in a manner that does not disrupt orderly trading in those securities.

La Mancha has also agreed to notify the Company at least two business days in advance of any disposal of an interest in Shares or in securities convertible into Shares which at such time (and in the case of the Convertible Securities after giving effect to their conversion into Shares) would constitute an interest of three per cent. or more of the issued share capital of the Company.

The Relationship Agreement will stay in effect until the Shares cease to be admitted to listing on the premium segment of the Official List and to trading on the Main Market.

17.2 Revolving Credit Facility Agreement

On 24 December 2020, Old EDV, in its capacity as parent company, and Endeavour Gold Corporation, in its capacity as borrower, entered into an amendment and restatement agreement in relation to a revolving credit facility agreement (the "**RCF Agreement**") with, among others, Investec Bank plc as agent and security agent, Citibank N.A., London Branch, HSBC Bank Canada, ING Bank N.V. and ING Bank, a Branch of ING-DiBa AG as co-ordinating mandated lead arrangers, the original lenders named therein and the original hedge counterparties named therein. Under the terms of the RCF Agreement, Old EDV was a party in its capacity as the parent company of the Group at that time, however, the RCF Agreement provides that the Company shall replace Old EDV as party to the RCF Agreement on the date the Company becomes the parent company of the Group and Admission takes place (Old EDV, or, as applicable, the Company being the "**Parent**" for the purposes of this paragraph 17.2).

Under the terms of the RCF Agreement, the original lenders have provided Endeavour Gold Corporation with a U.S.$430 million revolving credit facility (the "**RCF**"). The RCF has an accordion option whereby the Parent may request an increase in the RCF, up to a maximum of $70 million. The RCF is available to be used to fund: (i) the payment of all fees and expenses relating to the arranging of the RCF and (ii) the general corporate purposes of the Group.

Each advance under the RCF is required to be repaid on the last day of the interest period relating to the relevant advance but, subject to certain conditions, can be immediately re-drawn. No sums can be drawn under the RCF on or after the date ninety days prior to 15 January 2023 (the "**RCF Termination Date**"). All amounts outstanding under the RCF Agreement are required to be repaid in full on the RCF Termination Date.

The RCF Agreement permits, subject to the payment of any applicable break costs and certain other conditions, voluntary prepayments and voluntary cancellation of undrawn amounts under the RCF.

Interest accrues on loans made under the RCF at a floating rate of LIBOR (subject to a zero-floor) for the applicable interest period plus a margin of between 2.95 per cent. per annum and 3.95 per cent. per annum. Within the ranges stated, the prevailing margin on the RCF loans is determined from time to time in accordance with a leverage "ratchet".

The RCF Agreement contains representations, undertakings, negative pledge and events of default as well as certain financial covenants which the Parent must observe. Upon the occurrence of a change of control of the Parent, if a lender so requires and on 30 calendar days' notice to the Parent, the commitments of that lender shall be cancelled and amounts outstanding to that lender shall become immediately due and payable.

The RCF Agreement benefits from security over shares in certain subsidiaries of the Parent, certain material bank accounts within the Group and certain refining and offtake contracts within the Group. It is also guaranteed by certain subsidiaries of the Parent.

17.3 Bridge Facility Agreement

On 24 December 2020, Old EDV, in its capacity as parent company, and Endeavour Gold Corporation, in its capacity as borrower, entered into a bridge term facility agreement (the "**Bridge Facility Agreement**") with, among others, Investec Bank plc as agent and security agent, Citibank N.A., London Branch, HSBC Bank Canada, ING Bank N.V. and ING Bank, a Branch of ING-DiBa AG as co-ordinating mandated lead arrangers and the original lenders named therein. Under the terms of the Bridge Facility Agreement, Old EDV was a party in its capacity as the parent company of the Group at that time, however, the Bridge Facility Agreement provides that the Company shall replace Old EDV as party to the Bridge Facility Agreement on the date the Company becomes the parent company of the Group and Admission takes place (Old EDV, or, as applicable, the Company being the "**Parent**" for the purposes of this paragraph 17.3).

Under the terms of the Bridge Facility Agreement, the original lenders have provided Endeavour Gold Corporation with a U.S.$370 million term loan facility (the "**Bridge Facility**"). The Bridge Facility is available to be used to fund: (i) the refinancing of indebtedness of the Teranga group), (ii) certain costs in connection with the acquisition of the Teranga group and (iii) the general corporate purposes of the Group.

All amounts outstanding under the Bridge Facility Agreement (including each advance under the Bridge Facility) are required to be repaid in full on the date 12 months after the date the first advance is made (subject to an extension option whereby the repayment date can be extended by up to an additional 12 months). Advances under the Bridge Facility cannot be re-drawn. No sums can be drawn under the Bridge Facility on or after 24 April 2021.

The Bridge Facility Agreement permits, subject to the payment of any applicable break costs and certain other conditions, voluntary prepayments and voluntary cancellation of undrawn amounts under the Bridge Facility.

Interest accrues on loans made under the Bridge Facility at a floating rate of LIBOR (subject to a zero-floor) for the applicable interest period plus a margin of between 2.25 per cent. per annum and 3.75 per cent. per annum, which starts at 2.25 per cent. per annum and increases by 0.5 per cent. per annum every six months from the date of the first advance under the Bridge Facility until the final maturity of the Bridge Facility.

The Bridge Facility Agreement contains the same or similar representations, undertakings, negative pledge, events of default, financial covenants, prepayment upon change of control, guarantor group and security package as the RCF Agreement.

17.4 Convertible Bond

On 5 February 2018, Old EDV issued U.S.$330,000,000 3.00 per cent. Convertible Senior Notes due 2023 (the "**Convertible Bonds**") Holders of the Convertible Bonds ("**Noteholders**") may request the conversion of their Convertible Bonds at any time until the close of business on the scheduled trading day immediately before the maturity date. The initial conversion rate is 41.84 of Old EDV's common shares per U.S.$1,000 Convertible Bond, or an initial conversion price of approximately U.S.$23.90 (CAD$29.47) per share.

The Convertible Bonds bear interest at a coupon rate of 3 per cent. payable semi-annually in arrears on 15 February and 15 August of each year, beginning on 15 August 2018. The Convertible Bonds mature on 15 February 2023, unless redeemed earlier, repurchased or converted in accordance with the terms of the Convertible Bonds.

Old EDV will settle conversions by paying or delivering, as applicable, cash, its ordinary shares and a combination of cash and ordinary shares, at its election based on the applicable conversion rate(s).

Following the implementation of the Scheme and Admission, if a Noteholder elects to convert their Convertible Bonds and Old EDV elects to settle the conversion wholly or partially in ordinary shares, those ordinary shares will be the ordinary shares of the Company.

In addition, if a Noteholder elects to convert their Convertible Bonds following implementation of the Scheme and Admission, and Old EDV elects to settle the conversion wholly or partially in ordinary shares, Noteholders will be able to elect to receive their Shares either through CDS & Co. (to be available for trading on the Toronto Stock Exchange) or CREST (to be available for trading on the London Stock Exchange). In connection with the Scheme and Admission, Old EDV and the Company will be entering into the documentation required by the terms of the Convertible Bonds to effect these changes.

18 Enforcement and civil liabilities under US federal securities laws

The Company is a public limited company incorporated under English law. Many of the Directors are citizens of the United Kingdom (or other non-US jurisdictions), and a portion of the Company's assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Directors or to enforce against them in the US courts judgments obtained in US courts predicated upon the civil liability provisions of the US federal securities laws. There is doubt as to the enforceability in England, in original actions or in actions for enforcement of judgments of the US courts, of civil liabilities predicated upon US federal securities laws.

19 Litigation

There are no, nor have there been any, governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus, which may have, or have had in the recent past, a significant effect on the Company's and/or the Group's financial position or profitability.

20 Related party transactions

Save as described in Notes 6 and Note 22 of Section B of Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*), Note 4 of Section B of Part 13 (*Unaudited Historical Financial Information of the Group for the three months ended 31 March 2020 and 2021*), Note 26 of Section B of Part 14 (*Historical Financial Information of SEMAFO*), Note 37 of Section B of Part 15 (*Historical Financial Information of Teranga*), and the Relationship Agreement described in paragraph 17.1 of this Part 17 (*Additional Information*), no member of the Group entered into any related party transactions between 1 January 2018 and the Last Practicable Date.

21 Working capital

In the opinion of the Company, taking into account the RCF, the Bridge Facility and the Convertible Bonds, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months following the date of this Prospectus.

22 No significant change

There has been no significant change in the financial position or financial performance of the Group since 31 March 2021, the date to which the latest interim financial information of the Group was published.

23 Dividend Policy

The Directors intend to adopt a minimum progressive dividend policy, which will target distribution of at least U.S.$500 million over the next three years, assuming the gold price remains above U.S.$1,500/oz. Minimum dividends are expected to be U.S.$125 million for financial year 2021, U.S.$150 million for financial year 2022 and U.S.$175 million for financial year 2023. The Company's dividend policy will be based on its capital allocation policy and its strategy of maximising long-term shareholder value, with future dividends expected to be declared on a semi-annual basis. The Company may revise its dividend policy from time to time.

The Company has not traded since incorporation and, as at the date of this Prospectus, does not have any distributable reserves. Following Admission, the Company intends to undertake a capital reduction in order to create profits available for distribution by the Company (also known as "distributable reserves"). These distributable reserves may be used to support the payment of dividends (and any potential share repurchases) by the Company in the future.

24 Competent Person's Report

There have been no material changes since the date of the Competent Person's Report, the omission of which would make such report misleading.

25 Consents

BDO LLP has given and has not withdrawn its written consent to the inclusion in this Prospectus of the reports in Section A of Part 12 (*Historical Financial Information of the Group for the three years ended 31 December 2020*), Section A of Part 14 (*Historical Financial Information of SEMAFO*), Section A of Part 15 (*Historical Financial Information of Teranga*) and Section A of Part 16 (*Unaudited Pro Forma Financial Information*), and has authorised the contents of those reports as part of this Prospectus for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules and item 1.3 of Annex 1 of the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council.

A written consent under the Prospectus Regulation Rules is different from a consent filed with the United States Securities and Exchange Commission under Section 7 of The US Securities Act. As the Shares have not been and will not be registered under The US Securities Act, BDO LLP has not filed and will not be required to file a consent under Section 7 of The US Securities Act.

SRK Consulting has given and has not withdrawn its written consent to the inclusion in this Prospectus of the Competent Person's Report set out in Annex 1 to this document and has authorised the contents of the Competent Person's Report as part of this Prospectus for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018, and has given and has not withdrawn its written consent to the publication of this document with the inclusion herein of the references to its name.

26 General

26.1 The fees and expenses to be borne by the Company in connection with Admission, including professional fees and expenses and the costs of printing and distribution of documents are estimated to amount to approximately $11,000,000.

26.2 The financial information contained in this Prospectus does not amount to statutory accounts within the meaning of section 434(3) of the Act.

27 Documents available for inspection

Copies of the following documents will be available on the Group's website, at https://www.endeavourmining.com/investors/shareholder-Information/lse-listing, for a period of 12 months following the date of this Prospectus:

(a) the Articles; and

(b) the consent letters referred to in paragraph 25 (*Consents*) of this Part 17 (*Additional Information*).

This Prospectus will be published in electronic form and be available on the Group's website at https://www.endeavourmining.com/investors/shareholder-Information/lse-listing.

Dated: 9 June 2021

PART 18
TAXATION

1 UK Taxation

The comments set out below are based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs ("**HMRC**") published practice (which may not be binding on HMRC), in each case as at the latest practicable date before the date of this Prospectus, and both of which are subject to change, possibly with retrospective effect. They are intended as a general guide and, except where stated otherwise, apply only to Shareholders resident and, in the case of an individual, domiciled for tax purposes in the United Kingdom and to whom "split year" treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold Shares as an investment and who are, or are treated as, the absolute beneficial owners thereof. The discussion does not address all possible tax consequences relating to an investment in the Shares. It assumes that a person holding Shares through CDS & Co. is the absolute beneficial owner of the underlying shares. Certain categories of shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with the Company or the Group and those for whom the Shares are employment related securities may be subject to special rules and this summary does not apply to such shareholders.

Shareholders or prospective shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisors immediately. In particular, Shareholders should be aware that the tax legislation of any jurisdiction where a Shareholder is resident or otherwise subject to taxation (as well as the jurisdictions discussed in this Part 18) may have an impact on the tax consequences of an investment in the Shares including in respect of any income received from the Shares.

1.1 Taxation of Chargeable Gains

1.1.1 Disposals of Shares

A disposal of Shares may, depending on individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to UK tax on capital gains. In the case of individual shareholders, an annual tax-free allowance (the "Annual Exempt Amount") may be available. Assuming the Finance Bill, as ordered to be printed on 25 May 2021, will be enacted without amendment the Annual Exempt Amount will be £12,300 for the tax year ending on 5 April 2021 until the end of the tax year ending 5 April 2026. Any chargeable gain arising from a disposal of Shares which is in excess of the Annual Exempt Amount (or, where the shareholder has other chargeable gains in the tax year concerned, the unused remainder of the Annual Exempt Amount) will generally be subject to capital gains tax at a rate of 10 per cent. or 20 per cent. depending on the individual shareholder's other income in the relevant tax year. **Taxation of Dividends**

1.2 Taxation of Dividends

1.2.1 The Company

The Company will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend, including where such dividends are paid to shareholders who are resident outside the UK.

1.2.2 Individual Shareholders

Dividends received by a United Kingdom resident individual Shareholder from the Company will generally be subject to tax as dividend income.

The first £2,000 (the "**Dividend Allowance**") of the total amount of dividend income (including any dividends received from the Company) received by such a shareholder in a tax year will be taxed at a nil rate (and so no income tax will be payable in respect of such amounts).

If a United Kingdom resident individual Shareholder's total dividend income for a tax year exceeds the Dividend Allowance (such excess being referred to as the "**Taxable Excess**"), then the Taxable Excess will be subject to tax depending on the tax rate band or bands it falls within. The relevant tax rate band is determined by reference to such shareholder's total income charged to income tax (including the dividend income charged at a nil rate by virtue of the Dividend Allowance) less relevant reliefs and allowances (including such

shareholder's personal allowance). The Taxable Excess is, in effect, treated as the top slice of any resulting taxable income and:

(a) To the extent that the Taxable Excess falls above such shareholder's personal allowance but below the basic rate limit, such an individual shareholder will be subject to tax on it at the dividend basic rate of 7.5 per cent.

(b) To the extent that the Taxable Excess falls above the basic rate limit but below the higher rate limit, such an individual shareholder will be subject to tax on it at the dividend upper rate of 32.5 per cent.

(c) To the extent that the Taxable Excess falls above the higher rate limit, such an individual shareholder will be subject to tax on it at the dividend additional rate of 38.1 per cent.

1.2.3 Corporate Shareholders

Corporate Shareholders who are within the charge to corporation tax will be subject to corporation tax on dividends paid by the Company, unless (subject to special rules for such shareholders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each corporate Shareholder's position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class. However, it should be noted that the exemptions are not comprehensive and may be subject to anti-avoidance rules.

1.2.4 Non-UK Shareholders

A Shareholder resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareholders to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from the Company.

1.3 Inheritance Tax

1.3.1 Shares registered on the UK Register

Shares which are registered on a register in the UK will be assets situated in the UK for the purposes of UK inheritance tax.

A gift of such Shares which are situated in the UK by, or the death of, an individual holder of such Shares may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile).

Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

Special rules also apply to close companies and to trustees of settlements who hold such Shares bringing them within the charge to inheritance tax in certain circumstances. Holders of such Shares should consult an appropriate professional advisor if they make a gift of any kind or intend to hold Shares through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

1.3.2 Shares registered on the Canadian Branch Register

Shares which are registered on the Canadian Branch Register, and, in the case of such Shares dealt with through CDS & Co., where CDS & Co. maintains the book-entry register of such participants' interests outside the UK, should be assets situated outside the UK for the purposes of UK inheritance tax.

A gift of such Shares by, or the death of, an individual holder of such Shares who is domiciled or is deemed to be domiciled (under certain rules relating to long residence or previous domicile) in the UK may (subject to certain exemptions and reliefs) give rise to a

liability to UK inheritance tax. Where an individual holder of such Shares is neither domiciled nor deemed to be domiciled in the UK, neither a gift of such Shares by the holder nor the death of such holder would give rise to a liability to UK inheritance tax in respect of such Shares.

Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

Special rules apply to close companies and to trustees of settlements who hold such Shares which may bring them within the charge to inheritance tax in certain circumstances.

1.4 Stamp duty and stamp duty reserve tax

The statements in this section are intended as a general guide to the current UK stamp duty and stamp duty reserve tax ("**SDRT**") position and apply to any holders of Shares, irrespective of their tax residence. Special rules apply to certain transactions such as transfers to a company connected with the transferor and those rules are not described below. Investors should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable to tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

1.4.1 Issue

Subject to the points noted below in respect of shares issued to clearance services (such as CDS & Co.) and depositary receipt systems, no stamp duty or SDRT will arise on the issue of Shares in registered form.

1.4.2 Shares registered on the UK Register

The statements in this section 1.4.2 relate to Shares which are registered on the UK Register and which are not held through, issued or transferred to clearance services (including CDS & Co.) or depositary receipt systems. See the headings "*Shares held through clearance services (including CDS & Co.) and depositary receipt systems*", "*Shares registered on the Canadian Branch Register*" and "*Transfers of Shares between the UK Register and the Canadian Branch Register*" below in respect of Shares which are held through clearance services and depositary receipt systems or which are registered on, or transferred to, the Canadian Branch Register.

(i) Transfers on the UK Register—general

Except in relation to clearance services and depositary receipt systems (to which the special rules outlined below apply), stamp duty at the rate of 0.5 per cent. (rounded up to the next multiple of £5) of the amount or value of the consideration given will generally be payable on an instrument transferring Shares. A charge to SDRT will also generally arise on an unconditional agreement to transfer Shares (at the rate of 0.5 per cent. of the amount or value of the consideration payable). However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, any SDRT already paid will be refunded (generally, but not necessarily, with interest) provided that a claim for repayment is made, and any outstanding liability to SDRT will be cancelled. The liability to pay stamp duty or SDRT is generally satisfied by the purchaser or transferee. An exemption from stamp duty is available on an instrument transferring Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

(ii) Transfers of Shares within CREST

Paperless transfers of the Shares within CREST are generally liable to SDRT rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration (subject to the special rules outlined below in relation to clearance services and depositary receipt systems, which may hold shares via CREST). CREST is obliged to

collect SDRT on relevant transactions settled within the system. The charge is generally borne by the purchaser. Deposits of Shares into CREST will not generally be subject to SDRT or stamp duty unless the transfer into CREST itself is for consideration, in which case a liability to SDRT (usually at a rate of 0.5 per cent.) will arise.

1.4.3 Shares held through clearance services (including CDS & Co.) and depositary receipt systems

Special rules apply where Shares (whether registered on the UK Register or the Canadian Branch Register) are issued or transferred (a) to, or to a nominee or agent for, a person providing a clearance service (this will include CDS & Co.); or (b) to, or to a nominee or agent for, a person whose business is or includes issuing depositary receipts. In such circumstances, SDRT or stamp duty may be charged at a rate of 1.5 per cent., with subsequent transfers within the clearance service or depositary receipt system then being free from SDRT and stamp duty (except in relation to clearance service providers that have made an election under section 97A(1) of the Finance Act 1986, to which the special rules outlined below apply).

In light of EU case law, HMRC accepts that the 1.5 per cent. charge is in breach of EU law so far as it applies to issues of shares or to transfers of shares that are an integral part of a share issue. This EU case law will continue to be recognised and followed pursuant to the provisions of the European Union (Withdrawal) Act 2018.

HMRC's published view is that the 1.5 per cent. SDRT or stamp duty charge continues to apply to other transfers of shares into a clearance service or depositary receipt system, although this has been disputed. In view of the continuing uncertainty, specific professional advice should be sought before incurring a 1.5 per cent. stamp duty or SDRT charge in any circumstances.

The UK rules provide a statutory basis for disapplying the 1.5 per cent. charge where a clearance service provider makes and maintains an election under section 97A(1) of the Finance Act 1986, which is approved by HMRC. In those circumstances, SDRT will instead arise on any transfer of Shares into the clearance service at the rate of 0.5 per cent. of the amount or value of any consideration payable for the transfer, and on subsequent agreements to transfer such Shares within the clearance service, in accordance with the general rules. The Company is not aware that any such election has been made by CDS & Co.

Any liability for stamp duty or SDRT in respect of a transfer of the Shares into a clearance service or depositary receipt system, or in respect of a transfer of the Shares within such a service, which does arise will strictly be accountable by the clearance service or depositary receipt operator or their nominee, as the case may be, but may, in practice, be payable by the relevant participants in the clearance service or depositary receipt system.

1.4.4 Shares registered on the Canadian Branch Register

Pursuant to a specific exemption for shares registered on an overseas branch register, UK stamp duty will not be payable on the transfer of Shares which are registered on the Canadian Branch Register (including on a transfer to the UK Register, provided that no instrument of transfer is executed in the UK in respect of the transfer. A consequence of this stamp duty exemption is that SDRT at the rate of 0.5 per cent. should not be payable on an unconditional agreement to transfer Shares registered on the Canadian Branch Register where the transfer would be exempt from stamp duty. This exemption does not, however, extend to the 1.5 per cent. SDRT charge where Shares are transferred to a clearance service or depositary receipt system described under the heading "Shares held through clearance services (including CDS & Co.) and depositary receipt systems" above.

1.4.5 Transfers of Shares between the UK Register and the Canadian Branch Register

Subject to the commentary above under the heading "Shares held through clearance services (including CDS & Co.) and depositary receipt systems" in relation to the 1.5 per cent. SDRT charge, no UK stamp duty or SDRT will arise on the transfer of Shares between the UK Register and the Canadian Branch Register, provided that: (i) there is no change in

beneficial ownership of the Shares; and (ii) in the case of stamp duty only, the transfer is not a conveyance in contemplation of a sale of the Shares. Shareholders should confirm whether this exemption will apply in advance of making any transfer by reference to the specific steps contemplated.

2 Canadian Taxation

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (the "**Canadian Tax Act**") generally applicable to a holder who holds Shares on Admission as a beneficial owner and who at all relevant times and for purposes of the Canadian Tax Act: (a) is, or is deemed to be, resident in Canada; (b) deals at arm's length with the Company; (c) is not and will not be affiliated with the Company; (d) holds the Shares as capital property; and (e) is not exempt from tax under Part I of the Canadian Tax Act (each such owner in this section, a "**Canadian Holder**").

The Shares generally will be considered capital property to a Canadian Holder for purposes of the Canadian Tax Act unless the Canadian Holder holds or acquires such shares in the course of carrying on a business or has acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Canadian Holder: (a) that is a "financial institution" (as defined in the Canadian Tax Act for the purposes of the "mark-to-market rules"); (b) that is a "specified financial institution" (as defined in the Canadian Tax Act); (c) an interest in which is or would constitute a "tax shelter investment" (as defined in the Canadian Tax Act); (d) who makes, or has made, an election under section 261 of the Canadian Tax Act to determine its "Canadian tax results" (as defined in the Canadian Tax Act) in a currency other than Canadian currency; (e) that has entered into or will enter into a "derivative forward agreement" (as defined in the Canadian Tax Act) with respect to the Shares; or (d) if the Company is at any time a "foreign affiliate" (as defined in the Canadian Tax Act) of such Canadian Holder. Any such Canadian Holders should consult their own tax advisors with respect to an investment in the Shares.

This summary assumes that the Company will not at any time be resident (or be deemed to be resident) in Canada for purposes of the Canadian Tax Act. If the Company is (or becomes) resident in Canada for purposes of the Tax Act, the Canadian federal income tax consequences to a Canadian Holder will, in some respects, differ from those described herein.

This summary is based on the current provisions of the Canadian Tax Act in force as of the date hereof and counsel's understanding of the current published administrative policies of the Canada Revenue Agency ("**CRA**") publicly available prior to the date hereof. This summary also takes into account all specific proposals to amend the Canadian Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted in the form proposed. No assurance can be given that the Proposed Amendments will be enacted in the form proposed, or at all. Except for the Proposed Amendments, this summary does not otherwise take into account or anticipate any other changes in law, whether by judicial, governmental or legislative decision or action or changes in the administrative policies of the CRA, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed below.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not, and should not be construed as, legal, business or tax advice to any particular Canadian Holder and no representation with respect to the tax consequences to any particular Canadian Holder is made. Accordingly, all Canadian Holders should consult their own tax advisors regarding the Canadian federal income tax consequences to them of acquiring, holding and disposing of Shares, and any other consequences to them under Canadian federal, provincial, local and foreign tax laws.

2.1 Currency Conversion

For the purposes of the Canadian Tax Act, all amounts relating to the acquisition, holding or disposition of the Shares (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars using the relevant rate of exchange required under the Canadian Tax Act.

2.2 Dividends on Shares

A Canadian Holder will be required to include in computing its income for a taxation year the amount of any dividends received in respect of the Shares, including amounts withheld for foreign withholding tax, if any. For individuals (including a trust), such dividends will not be subject to the gross-up and dividend tax credit rules under the Canadian Tax Act normally applicable to taxable dividends received by an individual from a taxable Canadian corporation. A Canadian Holder that is a corporation will generally not be entitled to deduct the amount of such dividends in computing its taxable income.

Subject to the detailed rules in the Canadian Tax Act, a Canadian Holder may be entitled to a foreign tax credit or deduction for any foreign withholding tax paid with respect to dividends received by the Canadian Holder on the Shares. Canadian Holders should consult their own tax advisors with respect to the availability of a foreign tax credit or deduction having regard to their own particular circumstances.

2.3 Dispositions of Shares

A Canadian Holder that disposes or is deemed to dispose of a Share in a taxation year will realise a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Share exceeds (or is exceeded by) the aggregate of the Canadian Holder's adjusted cost base of such Share immediately before the disposition and any reasonable costs of disposition. The Canadian Holder will be required to include any resulting taxable capital gain in income, or be entitled to deduct any resulting allowable capital loss, generally in accordance with the usual rules applicable to capital gains and capital losses. See "*—Taxation of Capital Gains and Capital Losses*".

2.3.1 Taxation of Capital Gains and Capital Losses

Generally, a Canadian Holder will be required to include in computing income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realised in that year. Subject to and in accordance with the provisions of the Canadian Tax Act, a Canadian Holder must deduct one half of the amount of any capital loss (an "**allowable capital loss**") realised in a taxation year from taxable capital gains realised by the Canadian Holder in that taxation year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realised in such years, subject to the detailed rules contained in the Canadian Tax Act.

Canadian Holders should also note the comments under *"—Alternative Minimum Tax" and "—Additional Refundable Tax on Canadian-Controlled Private Corporations"*.

2.3.2 Alternative Minimum Tax

A capital gain realised by a Canadian Holder who is an individual (including certain trusts) may give rise to liability for alternative minimum tax under the Canadian Tax Act.

2.3.3 Additional Refundable Tax on Canadian-Controlled Private Corporations

A Canadian Holder that is throughout its taxation year a "Canadian-controlled private corporation" (as defined in the Canadian Tax Act) may be required to pay an additional tax (refundable in certain circumstances) on certain investment income, which includes taxable capital gains and dividends.

2.4 Foreign Property Information Reporting

Generally, a Canadian Holder that is a "specified Canadian entity" (as defined in the Canadian Tax Act) for a taxation year or a fiscal period and whose total "cost amount" of "specified foreign property" (as such terms are defined in the Canadian Tax Act), including the Shares, at any time in the year or fiscal period exceeds C$100,000 will be required to file an information return with the CRA for the year or period disclosing prescribed information. Subject to certain exceptions, a Canadian Holder generally will be a specified Canadian entity. The Shares will be "specified foreign property" of a Canadian Holder for these purposes. Canadian Holders should consult their own tax advisors regarding compliance with these reporting requirements.

2.5 Offshore Investment Fund Property Rules

The Canadian Tax Act contains rules which, in certain circumstances, may require a Canadian Holder to include an amount in income in each taxation year in respect of the acquisition and holding of Shares if (1) the value of such shares may reasonably be considered to be derived, directly or indirectly, primarily from certain portfolio investments described in paragraph 94.1(1)(b) of the Canadian Tax Act and (2) it may reasonably be concluded, having regard to all the circumstances, that one of the main reasons for the Canadian Holder acquiring or holding the Shares was to derive a benefit from portfolio investments in such a manner that the taxes, if any, on the income, profits and gains from such portfolio investments for any particular year are significantly less than the tax that would have been applicable under Part I of the Canadian Tax Act if the income, profits and gains had been earned directly by the Canadian Holder.

These rules are complex and their application and consequences depend, to a large extent, on the reasons for a Canadian Holder acquiring or holding Shares.

2.6 Eligibility for Investment by Registered Plans

The Shares, if issued on the date hereof, would be qualified investments under the Canadian Tax Act for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan and a tax-free savings account, each as defined in the Canadian Tax Act ("**Registered Plans**") and a deferred profit sharing plan ("**DPSP**"), as defined in the Canadian Tax Act, provided that the Shares are listed on a "designated stock exchange" as defined in the Canadian Tax Act (which currently includes the Toronto Stock Exchange and the London Stock Exchange).

Notwithstanding that Shares may be qualified investments for a Registered Plan, a holder, annuitant, or subscriber, as the case may be (each a "**Plan Holder**"), will be subject to a penalty tax on the Shares if such shares are a "prohibited investment" (as defined in the Canadian Tax Act) for the Registered Plan. The Shares will generally be a "prohibited investment" if the Plan Holder does not deal at arm's length with the Company for purposes of the Canadian Tax Act or has a "significant interest" (as defined in the Canadian Tax Act) in the Company. In addition, Shares will not be a prohibited investment if the Shares are "excluded property" for a trust governed by a Registered Plan within the meaning of the prohibited investment rules in the Canadian Tax Act. Canadian Holders who intend to hold Shares in a Registered Plan or a DPSP are advised to consult their own tax advisors.

3 United States Taxation

The following is a summary of certain US federal income tax consequences to a US Holder (as defined below) of the ownership and disposition of Shares held on Admission and that will hold the Shares as capital assets. The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the ownership or disposition of Shares by particular investors (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-US or other tax laws.

This summary also does not address tax considerations applicable to US Holders that own (directly, indirectly or by attribution) 5 per cent. or more of either the total voting power or the total value of the stock of the Company, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the US federal income tax laws, such as:

- financial institutions,
- insurance companies,
- individual retirement accounts and other tax-deferred accounts,
- tax-exempt organisations,
- dealers in securities or currencies,
- investors that hold the Shares as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes,
- persons that have ceased to be US citizens or lawful permanent residents of the United States,

- investors that hold the Shares in connection with a trade or business conducted outside of the United States,
- US citizens or lawful permanent residents living abroad, or
- investors whose functional currency is not the U.S. dollar.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Shares, that is, for US federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to US federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for US federal income tax purposes.

The US federal income tax treatment of a partner in an entity or arrangement treated as a partnership for US federal income tax purposes that holds Shares will depend on the status of the partner and the activities of the partnership. US Holders of Shares that are entities or arrangements treated as partnerships for US federal income tax purposes should consult their tax advisors concerning the US federal income tax consequences to them and their partners of the ownership and disposition of Shares by the partnership.

The Company does not believe that it should be treated as a passive foreign investment company (a "**PFIC**") for US federal income tax purposes following the Scheme, but the Company's possible status as a PFIC must be determined annually and therefore may be subject to change. If the Company is treated as a PFIC, US Holders of Shares would be required to (i) pay a special US addition to tax on certain distributions on, and gains from a sale of, Shares and (ii) pay tax on any gains from a sale of Shares at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain. Additionally, dividends paid by the Company would not be eligible for the reduced rate of tax described below under "*—Distributions*". The remainder of this discussion assumes that the Company is not a PFIC for US federal income tax purposes. US Holders of Shares should consult their tax advisors regarding the potential application of the PFIC regime.

This summary is based on the tax laws of the United States, including the US Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF US FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL US HOLDERS OF SHARES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF THE SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-US AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

3.1 Distributions

Distributions paid by the Company out of current or accumulated earnings and profits (as determined for US federal income tax purposes), generally will be taxable to a US Holder as dividend income, and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder's basis in the Shares and thereafter as capital gain. However, the Company will not maintain calculations of its earnings and profits in accordance with US federal income tax accounting principles. US Holders should therefore assume that any distribution by the Company with respect to Shares will be reported as ordinary dividend income. Dividends paid by the Company, under current law, generally will constitute "qualified dividends" that will be subject to US federal income tax at the lower applicable long-term capital gains tax rate only if (i) the Shares are readily tradable on an established securities market in the United States or the Company is eligible for benefits of a comprehensive income tax treaty with the United States, and (ii) certain holding period and other requirements are met, including that the Company is not classified as a PFIC during the taxable year in which the dividend is paid or the preceding taxable year. US Holders should consult with, and rely solely upon, their tax advisors regarding the availability of the lower preferential rate for qualified dividend income for any dividends paid with respect to Shares (including potential changes of law that would eliminate the availability of a lower preferential rate).

3.2 Sale or Other Disposition

Upon a sale or other disposition of Shares, a US Holder generally will recognise capital gain or loss for US federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other disposition and the US Holder's adjusted tax basis in the Shares, in each case as determined in U.S. dollars. This capital gain or loss will be long-term capital gain or loss if the US Holder's holding period in the Shares exceeds one year. Any gain or loss generally will be US source. The deductibility of capital losses is subject to limitations. US Holders should consult their own tax advisors about how to account for proceeds received on the sale or other disposition of Shares that are not paid in U.S. dollars.

3.3 Backup Withholding and Information Reporting

Payments of dividends and other proceeds with respect to Shares by a US paying agent or other US intermediary will be reported to the US Internal Revenue Service and to a US Holder as may be required under applicable US Treasury Regulations. Backup withholding may apply to these payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain US Holders are not subject to backup withholding. US Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of Shares, including reporting obligations related to the holding of certain foreign financial assets.

PART 19
DEFINITIONS AND GLOSSARY

The following definitions apply throughout this Prospectus unless the context requires otherwise:

"**Act**" or "**Companies Act**"	the UK Companies Act 2006, as amended, modified or re-enacted from time to time
"**Admission**"	the admission of the Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities
"**Articles**"	the current Articles of Association of the Company
"**Board**"	the board of directors of the Company
"**CA$**" or "**Canadian Dollars**"	the lawful currency of Canada
"Canadian Branch Register"	the branch register of the members of the Company kept in Canada
"**Cayman Companies Act**"	the Cayman Islands Companies Act (2021 revision)
"**Cayman Islands Court**"	the Grand Court of the Cayman Islands and any court capable of hearing appeals therefrom
"**Cayman Islands Registrar of Companies**"	the Registrar of Companies in the Cayman Islands
"**CDS & Co.**"	CDS Clearing and Depository Services Inc.
"**Chief Executive Officer**" or "**CEO**"	the chief executive officer of the Company
"**Chief Financial Officer**" or "**CFO**"	the chief financial officer of the Company
"**Company**"	Endeavour Mining plc
"**Court Hearing**"	the hearing by the Cayman Islands Court of the petition seeking the sanction of the Scheme under section 86 of the Cayman Companies Act
"**Court Order**"	the order of the Cayman Islands Court sanctioning the Scheme under section 86 of the Cayman Companies Act
"**CREST**"	the UK-based system for the paperless settlement of trades in listed securities operated by Euroclear UK and Ireland Limited in accordance with the CREST Regulations
"**CREST Regulations**"	The Uncertificated Securities Regulations 2001 (SI 2001/3755)
"**Deferred Shares**"	the deferred shares of £1.00 each in the capital of the Company into which the Subscriber Shares will automatically convert at the Scheme Effective Time
"**Deferred Share Unit Plan**"	the Company's Deferred Share Unit Plan
"**Directors**"	the Executive Director and the Non-Executive Directors of the Company
"**Disclosure Guidance and Transparency Rules**"	the disclosure guidance and transparency rules produced by the FCA and forming part of the handbook of the FCA through which a manager derives its status as an authorised person under the FSMA rules and guidance, as, from time to time, amended
"**DSUs**"	Deferred Share Units under the Deferred Share Unit Plan
"**Employee Share Plans**"	the Employee PSU Plan, the Executive PSU Plan for Non UK Participants, the Deferred Share Unit Plan and the Performance Share Plan, as described in paragraph 13 of Part 17 (*Additional Information*)

"**Employee PSU Plan**"	the Company's Employee PSU Plan
"**English Court Hearing**"	the hearing by the English Court to sanction the Reduction of Capital
"**EU**"	the European Union
"**Executive Director**"	the executive Director of the Company
"**Executive PSU Plan for Non UK Participants**"	the Company's Executive PSU Plan for Non UK Participants
"**FCA**"	the Financial Conduct Authority
"**FCPA**"	the US Foreign Corrupt Practices Act
"**FSMA**"	the Financial Services and Markets Act 2000, as amended
"**GDPR**"	the General Data Protection Regulation (Regulation (EU) 2016/679)
"**Group**" or "**Endeavour Mining**"	(i) prior to the Scheme Effective Time, Old EDV and its subsidiaries and subsidiary undertakings; and (ii) after the Scheme Effective Time, the Company and its subsidiaries and subsidiary undertakings
"**HMRC**"	HM Revenue and Customs
"**IFRS**"	International Financial Reporting Standards, as adopted by the European Union
"**Investor Rights Agreement**"	the investor rights agreement dated 18 September 2015, as amended, between Old EDV and La Mancha
"**KPI**"	key performance indicator
"**LIBOR**"	London Interbank Offered Rate
"**La Mancha**"	La Mancha Holding S.à r.l.
"**Last Practicable Date**"	7 June 2021, being the last practicable date prior to publication of this document
"**Listing Rules**"	the listing rules of the FCA made under section 74(4) of the FSMA
"**London Stock Exchange**"	London Stock Exchange plc
"**Market Abuse Regulation**"	Regulation (EU) 596/2014 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018
"**Modern Slavery Act**"	the Modern Slavery Act 2015
"**Non-Executive Directors**"	the non-executive Directors of the Company
"**Non-Registered Old EDV Shareholder**"	a holder of one or more Old EDV Shares who hold their Old EDV Shares through an intermediary
"**Official List**"	the Official List of the FCA
"**Old EDV**"	Endeavour Mining Corporation, a company incorporated in the Cayman Islands as an exempted company with limited liability with registration number WK-119024, who registered office is at is at 94 Solaris Avenue, Camana Bay, PO Box 1348 Grand Cayman KY1-1108, Cayman Islands
"**Old EDV Plans**"	the employee share plans operated by Old EDV as described in paragraph 13.6.1 of Part 17 (*Additional Information*)
"**Old EDV Shares**"	the issued ordinary share capital of Old EDV
"**Old EDV Shareholders**"	the holders of Old EDV Shares

"**PCAOB**"	the Public Company Accounting Oversight Board (United States)
"**PRA**"	the Prudential Regulation Authority
"**Performance Shares**"	Performance Shares in Endeavour Gold Corporation under the Performance Share Plan
"**Performance Share Plan**"	the Company's Performance Share Plan
"**Prospectus**"	the final prospectus approved by the FCA (as competent authority under Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) as a prospectus prepared in accordance with the Prospectus Regulation Rules made under section 73A of the FSMA
"**Prospectus Regulation**"	Regulation (EU) 2017/1129 and amendments thereto as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018
"**Prospectus Regulation Rules**"	the prospectus regulation rules of the FCA made pursuant to Section 73A of FSMA, as amended
"**PSUs**"	Performance Share Units under the Employee PSU Plan or Executive PSU Plan for Non UK Participants, as applicable
"**Reduction of Capital**"	the reduction of capital of the Company which the Directors expect the Company will undertake pursuant to the Companies Act shortly after the Scheme Effective Date in order to create distributable reserves in the accounts of the Company
"**Registered Old EDV Shareholder**"	a holder of one or more Old EDV Shares who are named on the register of members of Old EDV as members of Old EDV
"**Registrar**"	Computershare Investor Services PLC
"**Relationship Agreement**"	the relationship agreement entered into between the Company and La Mancha as described in Part 17 (*Additional Information*)
"**Scheme**"	the scheme of arrangement between Old EDV and its shareholders proposed to be made under section 86 of the Cayman Companies Act pursuant to which all of the issued and outstanding share capital of Old EDV would be transferred to the Company
"**Scheme Effective Date**"	the date on which the Scheme becomes effective in accordance with its terms, expected to be 11 June 2021
"**Scheme Effective Time**"	the time on the Scheme Effective Date at which the Scheme becomes effective in accordance with its terms
"**SDRT**"	stamp duty reserve tax
"**Senior Managers**"	those individuals identified as such in Part 8 (*Directors, Senior Managers and Corporate Governance*)
"**Shareholders**"	the holders of Shares in the capital of the Company
"**Shares**"	the ordinary shares of U.S.$ 0.01 each in the capital the Company, having the rights set out in the Articles
"**Sponsor**"	Barclays Bank PLC
"**sterling**" or "**pounds sterling**" or "**UK sterling**" or "**GBP**" or **"£"** or "**pence**"	the lawful currency of the United Kingdom
"**Subscriber Shares**"	the 50,000 subscriber shares of £1.00 each in the capital of the Company issued to Old EDV upon incorporation of the Company
"**Takeover Panel**"	the Panel on Takeovers and Mergers
"**Teranga**"	Teranga Gold Corporation

"**Teranga Group**"	Teranga Gold Corporation and its subsidiary undertakings
"**Teranga Options**"	options over shares in Teranga which were outstanding at the time of the Group's acquisition of the Teranga Group, which options are as described in paragraph 13.6 of Part 17 (*Additional Information*)
"**Teranga Share Warrants**"	the warrants issued by Teranga to certain funds to finance the operations of the Teranga Group prior to its acquisition by the Group, and which were outstanding at the time of the Group's acquisition of the Teranga Group
"**Trade and Cooperation Agreement**"	the 24 December 2020 trade and cooperation agreement between the United Kingdom and the European Union
"**United Kingdom**" or "**UK**"	the United Kingdom of Great Britain and Northern Ireland
"**UK Corporate Governance Code**"	the UK Corporate Governance Code published in July 2018 by the Financial Reporting Council, as amended from time to time
"UK Register"	the register of members of the Company kept in the UK (and excluding the Canadian Branch Register)
"**UK Takeover Code**"	the City Code on Takeovers and Merger, issued by the Panel on Takeovers and Mergers
"**United States**" or "**US**"	the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia
"**U.S. dollar**" or "**U.S.$**" or "**USD**" or **"$"**	the lawful currency of the United States of America
"**US Exchange Act**"	United States Securities Exchange Act of 1934, as amended
"**US GAAP**"	accounting principles generally accepted in the United States
"**US GAAS**"	auditing standards generally accepted in the United States
"**US Securities Act**"	the United States Securities Act of 1933, as amended

Annex I Competent Person's Report

COMPETENT PERSONS' REPORT ON THE MINERAL ASSETS OF ENDEAVOUR MINING PLC

Prepared For

Endeavour Mining plc



Report Prepared by

srk consulting

SRK Consulting (UK) Limited

UK30842

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Date:		9 June, 2021
Project Number:		UK30842
SRK Project Director:	Dr Timothy Lucks	Principal Consultant (Geology)
SRK Project Manager:	Dr Iestyn Humphreys	Corporate Consultant (Due Diligence)
Commercial Client		
Legal Entity:		Endeavour Mining Corporation,
Registered Office:		5 Young Street, W8 5EH, London England, United Kingdom of Great Britain and Northern Ireland

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COMPETENT PERSONS' REPORT ON THE MINERAL ASSETS OF ENDEAVOUR MINING PLC

– EXECUTIVE SUMMARY

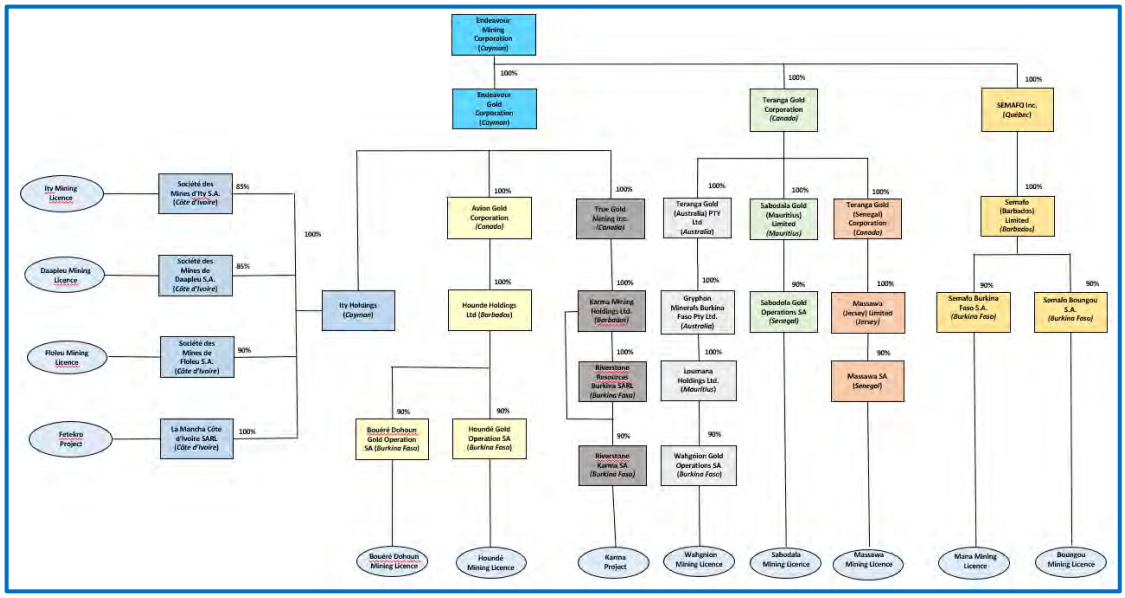
1 INTRODUCTION

1.1 Background

SRK Consulting (UK) Limited ("**SRK**") has been appointed by Endeavour Mining plc ("**Endeavour**" or the "**Group**" or the "**Company**") to prepare a Competent Persons' Report ("**CPR**"), pursuant to the requirements (defined in Section 1.2 below) on its gold mining and exploration assets (the "**Mineral Assets**") located in various countries in "**West Africa**": "**Burkina Faso**", the Republic of Côte d'Ivoire ("**Côte d'Ivoire**"), the Republic of Guinea ("**Guinea**"), the Republic of Mali ("**Mali**"), the Republic of the Niger ("**Niger**"), the Republic of Senegal ("**Senegal**").

Endeavour is a senior diversified gold mining company which owns and manages the Mineral Assets comprising both open pit and underground mines, development projects and exploration properties. The Group's equity interest in the Mineral Assets are held through various wholly owned subsidiaries incorporated in the countries within which it operates and additional offshore entities and structures which are also wholly owned (Figure ES 1). Certain of the Exploration Properties are managed through Joint Venture arrangements e.g. the Sarama Joint Venture ("**Sarama JV**") which manages a number of Exploration Properties located in Burkina Faso.

Figure ES 1: Group corporate structure



Endeavour Mining Corporation ("**EMC**"), incorporated in the Cayman Islands ("**Cayman**") is currently the holding company for the Group whose shares are listed on the Toronto Stock

Exchange ("**TSX**") under ticker "**EDV**" and also quoted in the United States of America ("**United States**") on OTCQX International under ticker "**EDVMF**", a market operated by OTC Markets Group. SRK has been informed that in parallel to the Admission (defined below in Section 1.2), the Group structure will be amended to result in the Group becoming the parent company of the Group and its shares being admitted to listing and to trading on both the London Stock Exchange and the TSX. Furthermore, SRK notes that the Company has acquired a significant number of the Mineral Assets during 2020, specifically in respect of those Mineral Assets previously owned by Teranga Gold Corporation ("**Teranga**") which was completed on 10 February 2021 and separately by SEMAFO Inc ("**Semafo**") which was completed on 1 July 2020. Accordingly it is important to note in respect of the recently acquired Mineral Assets, the Company is in part relying on historical technical work products completed by the prior operators and as such have not yet been fully integrated into the Company's geological and mining processes, and during 2021 will be subject to further review and potential adjustments during the Company's 2021 planning cycle. Furthermore, SRK has also been informed that on 2 March 2021, the Company completed the sale of its non-core "**Agbaou Gold Mine**" located in Côte d'Ivoire to Allied Gold Corp ("**Allied**"). Accordingly, this CPR does not include, report or opine upon any technical and/or economic information relating to the Agbaou Gold Mine.

For the 12-month period through to 31 December 2020, a review of the consolidated operational and financial highlights as reported in the Company's Management Discussion and Analysis ("**MD&A**") indicates as follows:

- Total gold production of 803kozAu (2019: 513kozAu);
- Total gold sales of 809kozAu (2019: 512kozAu);
- All-In Sustaining Costs ("**AISC**") of US$853/oz (2019: US$824/oz);
- Earnings Before Interest, Taxation, Depreciation and Amortisation ("**EBITDA**") of US$703.1m (2019: US$256.9m);
- Total capital expenditures of US$249.7m (2019: US$233.4m) comprising growth projects of US$7.7m (2019: US$94.1m), non-sustaining capital expenditure of US$105.3m (2019: US$57.3m) and non-sustaining exploration expenditures of US$63.3m (2019: US$39.2m); and
- Total mining interests valued at US$2.6bn (2019 US$1.4bn).

This CPR presents the following key technical information as at the Effective Date (defined below):

- Mineral Resources and Ore Reserve statements (the "**2020 Statements**") for the Mineral Assets and specifically the Producing Properties, the Development Properties and the Advanced Exploration Properties (defined in 1.2 below) are reported in accordance with the terms and definitions of the JORC Code (2012) also defined in Section 1.2 below;
- The Life-of-Mine plans ("**LoMp**") for the Mineral Assets reflecting production scenarios (the "**LoMp Scenarios**") including depletion of Ore Reserves including assumed production, sales, sales revenue, operating and capital expenditure commencing 1 January 2021;
- The "**Environmental and Social Liabilities**" for the Mineral Assets inclusive of all mine closure related expenditures and retrenchment costs for the LoMp Scenarios;
- The "**Exploration Programme**" for the Mineral Assets specifically relating to the Advanced Exploration Properties and the Exploration Properties; and
- Financial Modelling of the Mineral Assets undertaken to support the technical and economic viability of the Ore Reserves and the LoMp Scenarios as reported herein.

For the avoidance of doubt, this CPR is limited to the Mineral Assets and specifically exclude all assets and liabilities relating to the Group's activities external to the Mineral Assets as defined herein. Notwithstanding the aforementioned, this CPR does include the results of the Financial Modelling of the Mineral Assets which relies on certain inputs including Technical and Economic Parameters ("**TEPs**") as provided by the Company and as appropriate, modified and adjusted by SRK. Certain units of measurements and technical terms defined in the JORC Code (defined in 1.2 below) are defined in the glossaries, abbreviations and units included at the end of this CPR.

1.2 Requirement, Reporting Standard and Reliance

The CPR will be published in a "**Prospectus**" being issued in connection with the admission (the "**Admission**") of shares in the Company to the premium listing segment of the "**Official List**" of the Financial Conduct Authority ("**FCA**") and to trading on the "**Main Market**" of the London Stock Exchange (the "**LSE**"), market operated by the London Stock Exchange Group plc. SRK also understands that the Company is to be established, via a "**Scheme of Arrangement**" pursuant to section 86 of the Cayman Companies Act, as the parent company of Endeavour Mining Corporation ("**EMC**") and that application is also being made for the admission of the Company's shares to listing and trading on the TSX.

Requirement

The Prospectus is expected to be published on or around 9 June 2021, hereinafter the "**Publication Date**".

The CPR has been prepared in compliance with the following requirements which together comprise the "**Requirements**":

- The "**Prospectus Regulation Rules**" and the "**Listing Rules**" published by the FCA from time to time and under Part VI of the Financial Services and Markets Act 2000 of the United Kingdom (the "**FSMA**");
- The UK version of Regulation EU (2017/1129) as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"); and
- The *"ESMA update of the CESR recommendations: The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive"*, published on 20 March 2013: specifically paragraphs 131 to 133, section 1b – mineral companies, Appendix I – Acceptable Internationally Recognised Mining Standards, and Appendix II – Mining Competent Persons' Report – recommended content, hereinafter and collectively referred to as the "**CESR Recommendations**" and published on 20 March 2013.

With respect of paragraphs 132(a)-(e) of the CESR Recommendations SRK notes that all relevant details are included in the stand-alone Sections for each of the Mineral Properties referenced under the following groupings:

- **Producing Properties:** Section 4 Boungou Gold Mine; Section 5 Houndé Gold Mine; Section 6 Ity Gold Mine; Section 7 Karma Gold Mine; Section 8 Mana Gold Mine; Section 9 Sabodala-Massawa Gold Mine; Section 10 Wahgnion Gold Mine;
- **Development Properties:** Section 11 Fetekro Development Property; and Section 12 Kalana Development Property; and
- **Advanced Exploration Properties:** Section 13.2 Golden Hill; Section 13.3 Bantou; and Section 13.4 Nabanga; and
- **Exploration Properties:** Section 14.

In respect of compliance with "**Appendix II**" of the CESR Recommendations, specifically the recommended content of the Competent Persons' Reports, SRK respectfully highlights the following:

- **Scope of the CPR:** The primary focus of the CPR is with respect to the provision of independently audited and current: Mineral Resources and Ore Reserves; Life-of-Mine plans; Environmental and Social Liabilities; Exploration Programmes; and Financial Modelling of the Mineral Assets as reported herein; and
- **Compliance Cross Reference** for similar groupings noted for paragraphs 132(a)-(e) above, the following items are referenced in Section 4 through 10 for the Operating Properties, Section 11 through 12 for the Development Properties, Section 13 for the Advanced Exploration Properties, and Section 14 for the Exploration Properties unless otherwise noted:
  - Item (i) Legal and Geological Overview of the Mineral Assets including (1) and (2),
  - Item (ii) Geological Overview,
  - Item (iii) Mineral Resources and Ore Reserves including (1) (2), (3), (4 and 5), (6), (7), (8a), (8b), 8 (c and d),
  - Item (iv) Valuation of Ore Reserves/Mineral Assets. This CPR does not include a Valuation of Ore Reserves, and for the avoidance of doubt, does not include a valuation of the Mineral Assets. Notwithstanding this statement, the CPR provides sufficient information as reported in Section 2 Commodity Prices And Macro-Economics; Section 15 Financial Modelling to derive a valuation of the Ore Reserves as reported herein,
  - Item (v) Environmental, Social and Facilities: (1), (2), (3),
  - Item (vi) Historic Production/Expenditures,
  - Item (vii) Infrastructure,
  - Item (viii) Maps,
  - Item (ix) Special Factors.

Reporting Standard – Mineral Resources and Ore Reserves

The reporting standard adopted for the reporting of the Mineral Resource and Ore Reserve statements included in the CPR is the *"The 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia"* (the "**JORC Code**"). The JORC Code is a reporting code which has been aligned with the Committee for Mineral Reserves International Reporting Standards ("**CRIRSCO**") reporting template. Accordingly, SRK considers the JORC Code to be an internationally recognised reporting standard that is adopted worldwide for market-related reporting and financial investments.

Notwithstanding, the above SRK understands that the Company in accordance with its obligations on the TSX, reports its Mineral Resources and Mineral Reserves in accordance with the provisions adopted by the Canadian Institute of Mining and Metallurgy ("**CIM**") Definition Standards on Mineral Resources and Reserves (the "**CIM Definition Standards**") and incorporated into Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") adopted by CIM Council in May 2014. SRK confirms that, the Mineral Resource and Ore Reserve statements as reported herein are directly comparable with that reported by the Company and if re-reported in accordance with CIM Definition Standards would be identical in respect of the individual 'resource' and 'reserve' confidence categories and all quantitative declarations reported therein. Appendix A of this CPR includes the Mineral

Resources and Mineral Reserves for the Mineral Assets reported in accordance with CIM Definition Standards.

Reporting Standard – Development Status

The Mineral Assets as reported are classified into various groupings reflecting the development stage at the Effective Date of this CPR. The development stage groupings comprise:

- **Producing Property ("PP"):** mineral assets for which current Ore Reserves are declared and mining and processing operations have been commissioned and are in production;
- **Development Property ("DP"):** mineral assets for which Ore Reserves have been declared and are essentially supported by a minimum of a pre-feasibility study which on a multi-disciplinary basis demonstrates that the consideration is technically feasible and economically viable;
- **Pre-Development Property ("PDP"):** mineral assets for which Mineral Resources have been defined but where a decision to proceed with development has not been made;
- **Advanced Exploration Property ("AEP"):** mineral assets for which only Mineral Resources have been declared; and
- **Exploration Property ("EP"):** mineral assets for which no Mineral Resources have been declared.

Reporting Standard – Technical Study Standards

The standard of technical study assumed by SRK to be required to support the reporting on an Ore Reserve statement is a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established and an effective method of mineral processing has been determined, and includes a financial analysis based on reasonable assumptions of technical, engineering, legal, operating, economic, social, and environmental factors and the evaluation of other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as an Ore Reserve. For the avoidance of doubt this would commonly ensure that the technical feasibility and economic viability of the mineral project has been demonstrated on a multi-disciplinary basis to a Pre-Feasibility Study ("**PFS**") level at least. SRK notes that such studies are not normally dependent on Inferred Mineral Resources to demonstrate economic viability and generally include appropriate contingencies (± 20% to 25%) with respect to capital expenditures to account for the lower amount of site-specific engineering designs completed compared to that normally included in a Feasibility Study. Furthermore, it is also general industry practice to acknowledge that such studies in reflecting a lower degree of accuracy are accompanied by higher accuracy/sensitivity ranges (±20%). A key deliverable of a PFS would be for it to include a recommendation of a single and sufficiently positive technical and economic outcome such that advancement to Feasibility-Study level is warranted.

Reporting Standard – Environmental and Social Standards

Environmental and Social Standards as considered in this CPR has been, where practically possible, assessed with due consideration for various national and international legislation and regulations as well as consideration for international standards and guidance. In respect of the latter standards and guidance SRK has considered the Group's stated objective for adherence to the International Financial Corporation's Performance Standards ("**IFC PS**") and relevant World Bank Group's Environmental Health and Safety Guidelines.

Accordingly, the principal focus of the Environmental and Social review in respect of the Mineral

Assets comprised a review of the Environmental Management Practices and Environmental Liabilities (Bio-Physical and Social) at the Mineral Assets with specific focus on the primary regulatory documentation and compliance with the conditions of approval, including emissions and discharges in respect of both local and international standards. It is however important to note that this review did not constitute a detailed Environmental Audit, does not extend to provide a detailed opinion and development of any Equator Principles Action Plan capable of bringing the technical studies into compliance with the Equator Principles, nor indicate when compliance is not possible as typically required for a Project Finance facility: for all Category A and, as appropriate, Category B Projects.

Responsible sourcing regulations are an increasing focal point for stakeholders in the international mining and metals sector and in addition to national legislation, there are also a number of regulations and guidance that specifically cover the responsible souring of gold. For example, the "**Dodd-Frank**" legislation in the United States (Section 1502) and the "**EU Conflict Free Minerals**" regulations require due diligence within the supply chain in order to ensure that mining and production of gold does not fund conflict. One of the most widely recognised is the "**OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas**". The guidance was operationalised by the World Gold Council for the mining sector, the London Bullion Market Association for the refining sector and the Responsible Jewellery Council for this sector.

With respect to "**Mine Closure"** related liabilities key international standards include those which are focused on a combination of technological and engineering solutions which reflect Good International Industry Practice ("**GIIP**") and "**Best Available Technology**" to where practicable achieve "**Ground Zero**" or "**Walk Away**" remediation status. Guiding standards which reinforce these objectives include: the International Council on Mining and Minerals ("**ICMM**") Planning for Integrated Mine Closure: Toolkit (2008); World Bank in Mining and Development, It's Not Over When It's Over: Mine Closure Around the World (2002); European Commission's Reference Document on *"Best Available Techniques for Management of Tailings and Waste-Rock in Mining Activities"* published in 2009; *"IFC EHS Guidelines on Construction and Decommissioning"* published in 2007; and *"Mining for Closure: Policies and Guidelines for Sustainable Mining Practice and Closure of Mines"* published by United Nations Environment Programme ("**UNEP**"), United Nations Development Programme ("**UNDP**"), Organization for Security and Co-operation in Europe ("**OSCE**") and the North Atlantic Treaty Organization ("**NATO**") in 2005.

Reporting Standard – Mineral Asset Valuation

Whilst this CPR does not include a Valuation of the Ore Reserves, the Financial Modelling information as included herein is incorporated in accordance with the general disclosure principles and process as defined by the *"Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)"*, hereinafter the "**Valmin Code (2015)**".

Reporting Standard – Cash Cost Reporting

The determination of cash costs in the metals and mining sector varies both within and between commodity focus companies. Furthermore, it would appear that with respect to reporting standards, that defined by the World Gold Council ("**WGC**") and published (2018) ("**WGC 2018**") in its guidance noted on "*all-in sustaining costs*" and *"all-in costs*" metrics would appear to be the most comprehensive. This was an advance from the cash cost reporting methodology introduced in 1996 which focused solely on the mining and processing costs incurred. In contrast WGC 2018 focuses on costs incurred in the complete mining life cycle from exploration

to closure. In this instance SRK notes the following industry standard definitions:

- Cash Costs reported per ounce gold sold and reported on a by-product basis, where expenditures are determined net of silver sales where relevant. Cash costs are defined as:
  - Adjusted Operating Costs ("**AOC**") comprising on-site mining costs, on-site general and administrative costs, royalties and production taxes, released gains/losses on hedges due to operating costs, community costs related to current operations, refining and transport costs, non-cash remuneration (site-based), stockpile/leach pad and product inventory write down, operational waste stripping costs and by-product credits,
  - All In Sustaining Costs ("**AISC**") in addition to AOC comprising corporate general & administration costs (including share-based remuneration), reclamation and remediation accretion and amortisation (operating sites), exploration and study costs (sustaining), capital exploration (sustaining), capitalised stripping & underground mine development (sustaining), sustaining capital expenditure and sustaining leases,
  - All-in Costs ("**AIC**") in addition to AISC comprising growth and development costs not related to current operations, community costs not related to current operations, permitting costs not related to current operations, reclamation and remediation costs not related to current operations, exploration and study costs (non-sustaining), capital exploration (non-sustaining), capitalised stripping & underground mine development (non-sustaining), non-sustaining capital expenditure and non-sustaining leases.

  In respect of the above items it is important to note that the following expenditures are typically not included in the WGC guidance: corporate income tax; working capital (except for adjustments to inventory on a sales basis); all financing charges (including capitalised interest); costs related to business combinations, asset acquisitions and asset disposals; items needed to normalise earnings, for example impairments on non-current assets, one-time material severance charges or legal costs or settlements or legal costs or settlements related to significant lawsuits.

The Group's current financial reporting of historical and forecast AISC does not incorporate either contributions to the current closure cost funds nor the projected closure costs associated with the various LoMps. Furthermore, the various Mining Conventions relating to each of the exploitation licences stipulate a requirement for annual contributions to a defined closure fund. The Group's corporate Financial Model does not expressly model the future contributions to the closure cost funds nor incorporate the related expenditures into its AISC reporting as stipulated by the current WGC guidelines. Accordingly, in order to maintain parity with the historical reporting process, the Company has requested SRK to expressly exclude the closure costs from the AISC determination. SRK understands that as part of the next planning cycle the Group will review the approach to modelling of closure fund contributions (historical and forecast) and LoMp closure costs in its corporate financial model and amend these as deemed appropriate.

In addition to the above there are also various other standards considered comprising:

- Cash costs which includes costs of goods sold ("**COGS**": including labour, energy, consumables) + royalties (net of by-product credits);
- Total cash costs inclusive of cash costs, sustaining capital, exploration expenses and off-site costs; and
- Total costs which includes total cash costs, depreciation and interests, taxes and non-sustaining capital expenditure.

In the wider mining and metals space, an alternative consideration is that reflected in the C1,

C2 and C3 cash cost system which partially mirrors the AOC, AISC, and AIC respectively with the exception of C3 which typically includes corporate income taxes and working capital movement.

Furthermore, SRK notes that the majority of cash cost reporting in the gold sector focus on application of the above to determine historical reporting statistics derived from historical financial statements. In this CPR, SRK has largely adopted that recommended by the WGC in 2018 with some simplification where inventory movements are excluded from the historical and forecast components. As such SRK highlights that whilst the historical and forecast statistics as reported herein are consistent, they may not be fully aligned with the format adopted by the Company's own interpretation as included in its public domain reporting declarations specifically where these may incorporate other accounting related adjustments.

Reliance

This CPR is addressed to and may be relied on by the Directors of the Company and the "**Advisors**" (Barclays Bank PLC, hereinafter "**Barclays**"), specifically in compliance with the Requirements, the Reporting Standard and as appropriate Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. Accordingly, SRK has confirmed in writing (the "**Consent letter**"), dated on the Publication Date which confirms:

- Reliance as regards the CPR for any benefit of the Company and its Advisors;
- Consent to the inclusion of the CPR, and to the inclusion of any extracts from the CPR in the Prospectus;
- Confirmation that all information contained in the Prospectus which is extracted from the CPR or based upon information contained in the CPR has been reviewed by SRK and that such information as presented is accurate, balanced, complete and not inconsistent with the CPR in accordance with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules; and
- Responsibility for the CPR and declares that it has taken all reasonable care to ensure that the information contained in the CPR is, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import.

SRK has no obligation or undertaking to advise any person of any development in relation to Mineral Assets which comes to its attention after the date of this CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of this CPR.

1.3 Effective date, Base Technical Information Date and Publication Date

The effective date of the CPR is 1 June 2021 (the "**Effective Date**"). The 2020 Statements, the LoMps, the TEPs, the Environmental and Social Liabilities, the Exploration Programme and Financial Modelling of the Mineral Asset reflect SRK's review and as necessary adjustment and modification of the Company's:

- Mineral Resource and Ore Reserves statements as noted in the 2020 Statements and reported by SRK in accordance with the terms and definitions of the JORC Code (2012);
- Life of Mine plan scenario (the "**LoMp Scenario**") with projected production from 1 January 2021 including all supporting technical studies completed during 2020 and Q1 2021;
- Detailed schedules of activities and expenditures relating to the derivation and support of the forecast TEPs as included in the LoMp Scenarios for the Producing Properties and the Development Properties including, production, sales, sales revenue, operating expenditure and capital expenditure;
- Financial Models for the Mineral Assets incorporating annual forecasts of the TEPs and

resulting post-tax pre-finance cashflows;

- Mine closure costs for all historical, current and planned infrastructure relating to the Mineral Assets and inclusive retrenchment costs comprising the Environmental and Social Liabilities reported herein for the LoMp Scenario;
- Supporting details for the Company's Exploration Programme including schedules of activities and expenditures to support the planned forecasts as reported herein; and
- Financial Modelling of the Mineral Assets to assess the technical and economic viability of the Ore Reserves.

The Base Technical Information Date is defined as 31 December 2020 which is co-incident with the reporting date for the 2020 Statements. The Publication Date of the CPR is assumed to be 30 June 2021. As advised by the Group, as at the Publication Date of the Prospectus no material change has occurred as of the Effective Date of the CPR inclusive of: the 2020 Statements; the LoMp and accompanying TEPs; the Environmental and Social Liabilities; the Exploration Programme; and the Financial Modelling of the Mineral Assets.

1.4 Verification and Validation

This CPR is dependent upon technical, financial and legal input from the Group. SRK has conducted a review and assessment of all material technical issues likely to influence: the 2020 Statements; the LoMp and accompanying TEPs; the Environmental and Social Liabilities; the Exploration Programme; and the Financial Modelling of the Mineral Assets. The review comprised:

- A review of the quantitative and qualitative analysis undertaken by the Group to date which inter alia includes:
  - the Mineral Resource and Ore Reserve statements reported in the 2020 Statements all geological and mining models established in support of the 2020 Statements,
  - the LoMps inclusive of mine designs, production and equipment schedules, mine cost modelling and financial modelling outputs as they relate to the Company's various LoMp Scenarios comprising the Ore Reserve scenario,
  - the Company's determination of the operating and capital expenditures accompanying the LoMp Scenarios,
  - the Company's determination of environmental and social liabilities for all of the LoMp Scenarios,
  - the Company's financial models which incorporates the above and provides detailed analysis of post-tax pre-finance cashflows for Producing Properties and the Advanced Development Properties;
- Desk-top due-diligence review of all technical discipline areas which informed the LoMp scenarios including:
  - review of all relevant supporting technical documentation authored by the Company and independent third parties and made available during its investigations,
  - discussion and enquiry with the Company's technical representatives and where appropriate third-party technical consultants appointed by the Group,
  - review of stand-alone technical reports completed by the Company and independent third parties,
  - review of the primary regulatory documentation and associated conditions of approval as included in the Environmental and Social Impact Assessments ("**ESIAs**"), Environmental Management Plans ("**EMPs**") for the Producing Properties and the Development

Properties,
  - review of historical audit reports in respect of Environmental and Social aspects as well as the Tailings Storage Facilities ("**TSF**"),
  - review of historical TEPs reported on an annual basis from 2015 through 2020 inclusive,
  - review of the key product offtake agreements and assumptions made by the Company in respect of the product sales projections,
  - identification and where necessary modification of the TEPs reflected in the LoMps and the Company's own financial models to reflect the outcomes of the due diligence process, collectively referred to as the "**SRK Adjustments**";
- An assessment of historical and consensus market forecast commodity price assumptions in order to benchmark the Group's assumptions as relied on for reporting of Mineral Resources and Ore Reserves and as incorporated into the Group's financial models;
- Development of stand-alone and group level financial models (the "**Financial Models**") for the operating mines which incorporate multi-scenario analysis to assess and evaluate the economic impact of the LoMp Scenario;
- Historical site visits undertaken to a selection of the Group's Mineral Assets from 2018 through 2021, specifically in respect of Houndé Gold Mine, Ity Gold Mine, Karma Gold Mine and the Fetekro Development Property. During Q2 2021 it was intended to undertake detailed verification site visits to all of the Mineral Assets as reported herein, however due to the recent COVID-19 restrictions, these have been deferred and will now be undertaken during H2 2021. Notwithstanding this limitation, SRK considers that it has undertaken sufficient due diligence and subsequent analysis to confirm the validity of the Mineral Resources and Ore Reserves as reported herein and all supporting technical disclosures relating to the Mineral Assets and specifically the Life-of-Mine plans, the Financial Modelling and the Environmental and Social Liabilities as reported herein; and
- Remote meetings with the Company's technical and managerial representatives of the Company.

SRK confirms that it has performed all necessary validation and verification procedures deemed necessary and/or appropriate to place a suitable level of reliance on such technical information. SRK considers that with respect to all material technical-economic matters, it has undertaken all necessary investigations to ensure compliance with the Requirements including the Reporting Standards (specifically the JORC Code and the Valmin Code).

In consideration of all legal aspects relating to the Mineral Assets, SRK has placed reliance on the representations by the Company that the following are correct as at the Effective Date of the CPR and remain correct until the date of the Public Document:

- That save as disclosed in the CPR, the Directors of the Group are not aware of any legal proceedings that may have an influence on the rights to explore for minerals in respect of the Mineral Assets;
- That the Group is the legal owner of all relevant mineral and surface rights as reported in the CPR; and
- That save as expressly mentioned in the CPR, no significant legal issue exists which would affect the likely viability of the Mineral Assets and/or the estimation and classification of the Mineral Resources and Ore Reserves, the LoMps, the Environmental and Social Liabilities, the Exploration Programme and the Financial Modelling of the Mineral Assets.

The Mineral Resource and Ore Reserve statements as included in the 2020 Statements are reported with a date of depletion of 31 December 2020. For the avoidance of doubt, the 2020

Statements are the "current statements" and any historical statements as reported herein are done so solely for comparative purposes to provide context with respect to any significant changes and to support the reconciliation process between reporting periods.

1.5 Limitations, Reliance on Information, Declaration, Consent and Cautionary Statements

Limitations

Save as set out in Section 1.2 above and for the responsibility arising under Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules to any person and to the extent there provided, to the fullest extent permitted by law SRK does not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this CPR or statements contained therein, required by and given solely for the purpose of complying with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules, consenting to its inclusion in the Prospectus.

SRK notes that this CPR has been prepared in accordance with the Requirements as defined herein. For the avoidance of doubt SRK notes that the contents of this CPR including the technical opinion as expressed herein must be read in association with the Limitations, Reliance on Information, Declarations and Consent as reported herein.

The achievability of the projections as reported in this CPR, are neither warranted nor guaranteed by SRK, specifically the: TEPs including assumed production, sales volumes, sales revenue, operating and capital expenditure relating to depletion of the Ore Reserves from 1 January 2021; the Environmental and Social Liabilities; the Exploration Programme; and the Financial Modelling of the Mineral Assets. The projections as presented and discussed herein have been proposed by the Group's management and adjusted where appropriate by SRK to reflect its opinion but cannot be assured. Notably, for example, they are necessarily based on economic and market assumptions, many of which are beyond the control of the Group.

Future cashflows and profits derived from any projections reflected by the TEPs in the LoMps, the Environmental and Social Liabilities or the Exploration Programme are inherently uncertain and actual results may be significantly more or less favourable.

Unless otherwise expressly stated all the opinions and conclusions expressed in this report are those of SRK. It should also be noted that this report reflects SRK's review of information generated, and/or technical work completed, by others. As a result of this, the projections presented here may not directly reflect that previously presented by the Group or in public announcements made by the Group as they also incorporate judgements made by SRK not necessarily incorporated into the Group's assessments.

This CPR specifically excludes all aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/or contracts that the Group may have entered into.

Responsibility Statement

For the purpose of, and in compliance with, the Requirements, SRK accepts responsibility for the information provided in the CPR and for all information in the Prospectus which is extracted or sourced from the CPR. SRK declares that the information contained in the CPR and the Prospectus is, to the best of the knowledge of SRK, in accordance with the facts and makes no omission likely to affect its import. SRK has given and has not withdrawn its written consent to the publication of the CPR.

SRK accepts responsibility for the 2020 Statements, the LoMp Scenarios and associated TEPs, the 2020 Environmental and Social Liabilities, the Financial Modelling of the Mineral Asset as

reported herein. Where applicable, SRK confirms that:

- the 2020 Statements are reported in accordance with the terms and definitions of the JORC Code (2012);
- the various technical studies supporting the Production Scenarios have been completed in accordance with the Technical Study standards as defined in Section 1.2. of this CPR;
- that the Environmental and Social Liabilities are derived and reported in accordance with Good International Industry Practice ("**GIIP**"); and
- the "**Financial Modelling**" for the Mineral Assets of the Group.

The scope of the CPR is limited to the Mineral Assets of the Group as reported herein.

Reliance on Information

SRK believes that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK's opinions given in this document with respect to the 2020 Statements, the LoMps and accompanying TEPs, the Environmental and Social Liabilities, the Exploration Programme and the Financial Modelling are effective at 1 June 2021 and are based on information provided by the Company throughout the course of SRK's investigations, which in turn reflects various technical-economic conditions prevailing at the date of this report and the Company's expectations regarding the gold market, gold prices and exchange rates as at the date of this report. These and the underlying TEPs, comprising projections of production, sales, sales revenue, operating and capital expenditures can change significantly over relatively short periods of time. Should these change materially, the 2020 Statements, the LoMp Scenarios and accompanying TEPs, the Environmental and Social Liabilities, the Exploration Programme and the Financial Modelling of the Mineral Assets could be materially different in these changed circumstances.

Whilst SRK has exercised all due care in reviewing the supplied information, SRK does not accept responsibility for finding any errors or omissions contained therein and disclaims liability for any consequences of such errors or omissions.

This CPR includes technical information, which requires subsequent calculations to derive subtotals, totals and weighted averages. Such calculations may involve a degree of rounding and consequently introduce an error. Where such errors occur, SRK does not consider them to be material.

Declarations

SRK will receive a fee for the preparation of this CPR in accordance with normal professional consulting practice. This fee is not contingent on the outcome of any transaction and SRK will receive no other benefit for the preparation of this report. SRK does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to 2020 Statements, the principal findings regarding the LoMp Scenarios, the accompanying Financial Models, the Environmental and Social Liabilities and the Financial Modelling of the Mineral Assets as reported herein.

Neither SRK, the Competent Persons (as identified under Section 1.7, below) who are responsible for authoring this CPR, nor any Directors of SRK have at the date of this report, nor have had within the previous two years, any shareholding in the Group, the Mineral Assets or

the Advisors of the Group, or any other economic or beneficial interest (present or contingent) in any of the assets being reported on. SRK is not a group, holding or associated company of the Group. None of SRK's partners or officers are officers or proposed officers of any group, holding or associated company of the Group. Further, no Competent Person involved in the preparation of this CPR is an officer, employee or proposed officer of the Group or any group, holding or associated company of the Group. Consequently, SRK, the Competent Persons and the Directors of SRK consider themselves to be independent of the Group, its directors, senior management and Advisors.

Consent

SRK has given and has not withdrawn its written consent to the publication of this CPR and has authorised the contents of its report and context in which they are respectively included and has authorised the contents of its report for the purposes of compliance with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules.

Copyright

Except where SRK has agreed otherwise (including pursuant to an agreement between SRK and Endeavour dated 5 January 2021 or any subsequent agreement (each, the "**Endeavour Agreement**")):

- neither the whole nor any part of this report nor any reference thereto may be included by any party other than the Company, any of its direct and indirect subsidiaries or a competent state authority in the United Kingdom of Great Britain and Northern Ireland or any other relevant jurisdiction, as may be applicable (together, the "**Recipients**"), in any other document without the prior written consent of SRK save that in the case that the report is not included in full in any other document, the Recipient shall present a draft of any document produced by it that may incorporate a part of this report to SRK for review so that SRK may ensure that this is presented in a manner which accurately and reasonably reflects any results or conclusions contained in this report; and
- copyright of all text and other matters in this document, including the manner of presentation, is the exclusive property of SRK. It is an offence to publish this document or any part of the document under a different cover, or to reproduce and/or use, without written consent (whether granted by virtue of an Endeavour Agreement or otherwise), any technical procedure and/or technique contained in this document. The intellectual property reflected in the contents resides with SRK and shall not be used for any activity that does not involve SRK, without the written consent of SRK.

Neither the whole nor any part of this report nor any reference thereto may be included in any other document without the prior written consent of SRK regarding the form and context in which it appears.

1.6 Indemnities Provided by the Company

The Company has provided the following indemnities to SRK:

- The Company has agreed that, to the extent permitted by law, it will indemnify SRK and its employees and officers in respect of any liability suffered or incurred as a result of or in connection with the preparation of this report albeit that this indemnity will not apply in respect of any material negligence, wilful misconduct or breach of law. The Company has also agreed to indemnify SRK and its employees and officers for time incurred and any costs in relation to any inquiry or proceeding initiated by any person except to the extent SRK or its employees and officers have been materially negligent or acted with wilful misconduct or in breach of law in which case SRK shall bear such costs; and

- In order to assist SRK in the preparation of this CPR the Company may be required to receive and process information or documents containing personal information in relation to SRK's project personnel. The Company has agreed to comply strictly with the provisions of the Data Protection Act 1998 of the United Kingdom ("**DPA 1998**") and all regulations and statutory instruments arising from the DPA 1998, and the Company will indemnify and keep indemnified SRK in respect of all and any claims and costs caused by breaches of the DPA 1998.

1.7 Qualifications of Consultants and Competent Persons

SRK is an associate company of the international group holding company SRK Consulting (Global) Limited (the "**SRK Group**"). The SRK Group comprises some 1,400 professional staff offering expertise in a wide range of resource and engineering disciplines with 45 offices located in 20 countries.

The SRK Group's independence is ensured by the fact that it holds no equity in any project. This permits the SRK Group to provide its clients with conflict-free and objective recommendations on crucial judgment issues. The SRK Group has a demonstrated track record in undertaking independent assessments of resources and reserves, project evaluations and audits, Mineral Resource and Ore Reserve audits and independent feasibility studies on behalf of exploration and mining companies and financial institutions worldwide. The SRK Group has also worked with a large number of major international mining companies and their projects, providing mining industry consultancy service inputs.

This CPR has been prepared by a team of 17 consultants sourced from the SRK Group's office in the United Kingdom and South Africa over a three-month period. These consultants are specialists in the fields of exploration, geology, Mineral Resource and Ore reserve estimation and reporting, underground mining, mine ventilation, mining geotechnics, water management (hydrogeology/hydrology), mineral processing, tailings engineering, environmental and social, financial modelling and mineral asset valuation. The individuals listed in Table ES 1 have provided the material input to this CPR, have extensive experience in the mining industry and are members in good standing of appropriate professional institutions.

The Competent Person who has responsibility for the CPR and the Ore Reserves as reported herein is Dr Iestyn Humphreys, FMIMM, AIME, PhD who is a Corporate Consultant, and Practice Leader with SRK. He is a Fellow of the IMMM which is a Recognised Professional Organisation ("**RPO**") included in a list promulgated by the Australian Securities Exchange ("**ASX**") from time to time. Iestyn Humphreys has 31 years' experience in the mining and metals industry and also has been involved in the preparation of Competent Persons' Reports comprising technical evaluations of various mineral assets internationally during the past five years which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

The Competent Person who has overall responsibility for the Mineral Resources as reported herein is Dr Timothy Lucks, MAusIMM (CP), PhD. He is a Chartered Geologist which is a RPO included in a list promulgated by ASX from time to time. He is a full-time employee of SRK, a principal consultant and has over 18 years' experience in the mining and metals industry and also has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Timothy Lucks has been responsible for the reporting of Mineral Resources on various properties internationally during the past five years which is relevant to the style of mineralisation and type of deposit under consideration and to the activity

which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

The Competent Person who has joint responsibility for the Mineral Resources as reported herein is Dr Lucy Roberts, MAusIMM (CP), PhD. She is a Chartered Geologist which is a RPO included in a list promulgated by ASX from time to time. She is a full-time employee of SRK, a principal consultant and has over 22 years' experience in the mining and metals industry and also has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code. Lucy Roberts has been responsible for the reporting of Mineral Resources on various properties internationally during the past five years which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code.

Table ES 1 Team members

Responsible Discipline	Consultant	Designation	Registration, Membership, Qualification	Years' Experience
Geology/Mineral Resources	Dr Timothy Lucks	Principal	MAusIMM, CP, SEG, PhD	18
	Lucy Roberts	Principal	MAusIMM, CP, PhD	22
	James Haythornthwaite	Senior	CGeol, FGS, MSc	12
	Dr Kirsty Reynolds	Consultant	GSL, PhD	10
	Dr James Davey	Consultant	GSL, SEG, PhD	7
Mining & Ore Reserves	Dr Iestyn Humphreys	Corporate	FIMMM, AIME, PhD	31
	Francois Taljaard	Senior	Pr. Eng., ECSA, MSAIMM	11
	Jacobus Francois Van Graan	Principal	Pr.Eng., ECSA, MSAIMM, BEng	24
	Yerko Martinez	Senior	MSc	10
Geotechnical Engineering	Max Brown	Principal	C.Eng., MIMMM, MSc	23
Water Management	James Bellin	Principal	CGeol, FGS, MSc	17
Metallurgy	Dr John Willis	Principal	MAusIMM, CP, MAIME, PhD	36
Tailings	Richard Martindale	Principal	C.Eng., FGS, MIMMM, MSc	20
Environmental and Social	Jane Joughin	Corporate	Pr.Sci.Nat, CEnv., MIEMA, MIAIA, MSc	35
	Emily Harris	Principal	CEnv, MIEMA, MSc	35
	Sue Reuthers	Consultant	EAP, MIAIA, MPhil	20
Mine Closure	Jamie Spiers	Senior	MSc	17
Human Resources	Dr Iestyn Humphreys	Corporate	FIMMM, AIME, PhD	31
Financial Modelling	Dr Iestyn Humphreys	Corporate	FIMMM, AIME, PhD	31

2 COMMODITY PRICES AND MACRO-ECONOMICS

The following section includes discussion and comment on the commodity price and macro-economic parameters as relied on for the purpose of supporting the technical and economic assessment of the Ore Reserves as reported herein. Specifically, the forecast commodity prices, and the macro-economic assumptions have been sourced and compiled from various consensus market forecasts and polls and as such have neither been validated nor verified by SRK. Certain of the data reported herein, specifically the commodity market summary analysis as reported is derived from various public domain sources included, inter alia, Consensus Economics, SP Global and the World Gold Council ("**WGC**") which are acknowledged accordingly. Furthermore, where practically possible the forecasts as adopted for supporting the projections herein are also compared with that currently assumed by the Company in its annual and short-term budgeting process.

The above forecasts are not directly supported by detailed analysis undertaken by recognised commodity market specialists which typically undertake, short, medium- and long -term demand-supply-price analysis to support their determinations.

The forecast commodity prices, and macro-economic assumptions as reported herein are compile from consensus market forecasts ("**CMF**") and where available compared with that assumed by the Company in its annual budgeting process. Where possible historical data has been collated and compiled through to 31 March 2021 and the latest CMF for commodity prices is derived based on that sourced in Q1 2021. With respect to historical macro-economic data, exchange rates have been collated through to 31 March 2021 and consumer price inflation

("**CPI**") to the latest available month end data in 2021 (typically February) and projected through to 31 March 2031.

Table ES 2 provides a comparative assessment of the various gold price forecasts against the CMF sourced in Q1 2021 which projects a long-term price ("**LTP**") of US$1,430/oz. This is compared directly with that assumed by the Group in reporting its Ore Reserves of US$1,300/oz and a three year daily average gold price of US$1,557/oz. Table ES 3 presents the forecast consumer price inflation statistics (period average) for the countries within which the Group operates and within which the Mineral Assets are located. It should however be noted that the assumptions for the majority of the countries (excepting Canada, United States and the United Kingdom) the forecasts reflect the historical year-on-year 12-month actuals through to 31 March 2021. Table ES 4 provides a comparison of the historical average exchange rates for 2020, the closing exchange rate as at 31 March 2021 and that assumed by the Group in its annual budget and short-term planning process.

Table ES 2 Gold Price forecast assumptions (2021 through 2030)

Statistic	Units	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Company-2P[(1)]	(US$/oz)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Company-Fcst[(2)]	(US$/oz)	1,500	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
CMF	(US$/oz)	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430	1,430
S&P Global-Poll	(US$/oz)	1,814	1,778	1,695	1,569	1,540	1,565	1,480	1,472	1,527	1,374
Analyst-Poll[(3)]	(US$/oz)	1,900	1,841	1,695	1,569	1,500	1,500	1,500	1,500	1,500	1,500
3 Year Average (daily)	(US$/oz)	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557

(1) The gold price assumed for reporting Ore Reserves for the majority of the Mineral Assets.

(2) The gold price assumed in the Company's short-term budgets.

(3) based on available two-year forecast and S&P through to 2024 and assumed US$1,500/oz from 2025 onwards.

Table ES 3 Consumer Price Inflation forecast assumptions (2021 through 2025)

Consumer Price Inflation	Units	2021	2022	2023	2024	2025
Burkina Faso	(%)	2.39	2.39	2.39	2.39	2.39
Côte d'Ivoire	(%)	2.29	2.29	2.29	2.29	2.29
Guinea	(%)	10.58	10.58	10.58	10.58	10.58
Mali	(%)	0.70	0.70	0.70	0.70	0.70
Niger	(%)	6.30	6.30	6.30	6.30	6.30
Senegal	(%)	2.43	2.43	2.43	2.43	2.43
Canada	(%)	1.50	1.70	1.95	1.95	1.95
United States	(%)	2.76	2.10	2.11	2.17	2.22
United Kingdom	(%)	1.50	1.77	2.00	2.00	2.00

Table ES 4 Exchange rate assumptions

Exchange Rates	Units	31/12/2020	31/03/2021	Group Budget
CFA Franc BCEAO (XOF)	(LCU:US$)	572	542	555
Guinean Franc (GNF)	(LCU:US$)	9,990	9,957	n/a
Canadian Dollar (C$)	(LCU:US$)	1.34	1.27	1.30
Pound Sterling (GBP)	(US$:LCU)	1.28	1.38	1.25

3 THE MINERAL ASSETS

The Mineral Assets are located within the Birimian Greenstone Belt in West Africa (Figure ES 2) which has a significant demonstrable history of exploration and production potential to date. Classified in accordance with development status (Section 1.2) the Mineral Assets, comprise seven Producing Properties ("**PP**"), two Development Properties ("**DP**"), three Advanced Exploration Properties ("**AEP**"), and 20 groupings of Exploration Properties ("**EP**"). The Mineral Assets are located within 111 mineral licences for a total land package of 17,877km^2 with 25 of these licences representing 3,725km^2 and hosting some 85 deposit groupings for which Mineral Resources are reported. Of these 85 deposit groupings, 61 report open pittable ("**o/p**") resources only; one reports underground resources only; 17 report both open pittable and underground resources ("**u/g**"); and six comprise surface stockpiles ("**s/p**").

The Mineral Assets (Table ES 5; Table ES 6) held by the Company as at 31 December 2020 and reported upon in this CPR are:

- a 90% equity interest in "**Boungou Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a Carbon-in-Pulp ("**CIP**") plant with a capacity of

1.3Mtpa, which for the 12-month period ended 31 December 2020 sold 155kozAu at an All-In Sustaining Cash cost ("**AISC**") of US$683/ozAu;

- a 90% equity interest in "**Houndé Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a Carbon-in-Leach ("**CIL**") plant with a capacity of 4.4Mtpa which for the 12-month period ended 31 December 2020 sold 278kozAu at an AISC of US$836/ozAu;
- a variable (85% to 90%) equity interest in "**Ity Gold Mine**" located in Côte d'Ivoire comprising an open pit mining operation processing through a CIL plant with a capacity of 5.3Mtpa which for the 12-month period ended 31 December sold 208kozAu at an AISC of US$808/ozAu;
- a 90% equity interest in "**Karma Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a heap leach facility ("**HLF**") with a capacity of 5.0Mtpa which for the 12-month period ended 31 December 2020 sold 98kozAu at an AISC of US$1,007/ozAu;
- a 90% equity interest in "**Mana Gold Mine**" located in Burkina Faso comprising and open pit and underground mining operation processing through a CIL plant with a capacity of 2.6Mtpa which for the 12-month period ended 31 December 2020 sold 214kozAu at an AISC of US$769/ozAu;
- a 90% equity interest in "**Sabodala-Massawa Gold Mine**" located in Senegal comprising an open pit mining operation processing through a CIL plant with a capacity of 4.3Mtpa which for the 12-month period ended 31 December 2020 sold 226kozAu at an AISC of US$950/ozAu;
- a 90% equity interest in "**Wahgnion Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a CIL plant with a capacity of 3.5Mtpa which for the period 12-month ended 31 December 2020 sold 181kozAu at an AISC of US$954kozAu;
- a 80% equity interest in the "**Fetekro Development Property**" located in Côte d'Ivoire which assumes construction of an open pit mine processing through a CIP plant with capacity of 3.3Mtpa at a total initial capital investment of US$338.0m and is currently the subject of a feasibility study planned for completion in Q4 2021;
- a 80% equity interest in the **"Kalana Development Property**" located in Mali which assumes construction of an open pit mine processing through a CIL plant with capacity of 3.7Mtpa at a total initial capital investment of US$297m;
- Advanced Exploration Properties for which Mineral Resources have been defined to date and includes: a 100% equity interest in the "**Golden Hill AEP**"; a 90% equity interest in the "**Bantou AEP"**; and 90% equity interest the "**Nabanga AEP**"; and
- Exploration Properties comprising interests in over 86 mineral licences extending over a total land package of 14,152km^2.

Table ES 5 Mineral Assets: Producing Properties and Development Properties

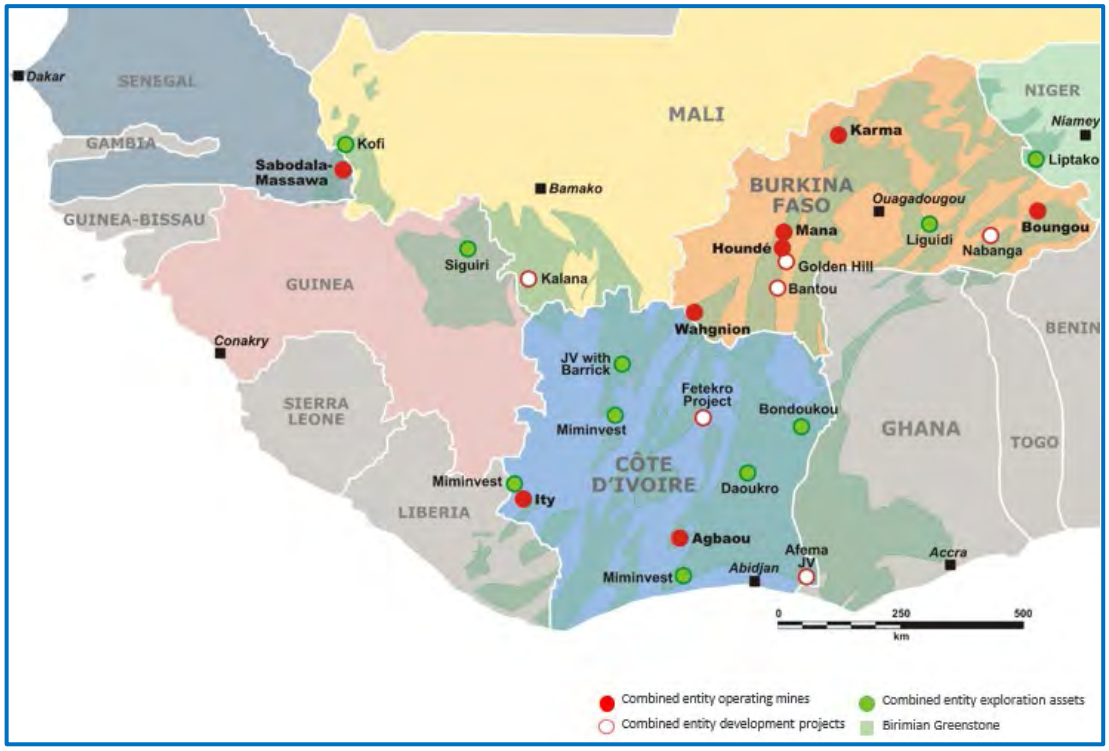
Property Development Status	Country	Exploitation Licences (No)	Equity (%)	Mine/Plant Type	Capacity Mining (Mt)	Capacity Processing (Mt)	2020 Statistics Processed (Mt)	2020 Statistics Sales (koz)	2020 Statistics AISC (koz)
Producing Properties									
Boungou Gold Mine	Burkina Faso	1	90.00	o/p; CIP	25.4	1.3	1.1	155	680
Houndé Gold Mine	Burkina Faso	2	90.00	o/p; CIL	45.2	4.4	4.2	278	836
Ity Gold Mine	Côte d'Ivoire	3	85.00; 90.00	o/p; CIL	23.8	5.6	5.4	208	808
Karma Gold Mine	Burkina Faso	1	90.00	o/p; HL	21.4	5.0	4.9	98	1,007
Mana Gold Mine	Burkina Faso	1	90.00	o/p&u/g; CIL	31.4	2.3	2.4	214	769
Sabodala-Massawa Gold Mine	Senegal	2	90.00	o/p; CIL	29.2	4.3	4.1	226	950
Wahgnion Gold Mine	Burkina Faso	1	90.00	o/p; CIL	25.8	3.4	3.5	181	954
Total		**11**			**202.2**	**26.3**	**25.6**	**1,360**	**850**
Development Properties									
Fetekro Gold Project	Côte d'Ivoire	1	80.00	o/p; CIP			n/a	n/a	n/a
Kalana Gold Project	Mali	1	80.00	o/p; CIL			n/a	n/a	n/a

Property Development Status	Country	Exploitation Licences (No)	Equity (%)	Mine/Plant Type	Capacity Mining (Mt)	Capacity Processing (Mt)	2020 Statistics Processed (Mt)	2020 Statistics Sales (koz)	2020 Statistics AISC (koz)
Total		**2**							

Table ES 6 Mineral Asset distribution

Development Status	Deposits (No)	Ore Reserves (No)	Mineral Resources (No)	Licences (No)	Area (km^2)	Resource Statements o/p (No)	Resource Statements u/g (No)	Resource Statements o/p, u/g (No)	Resource Statements s/p (No)
Producing Properties	68	43	68	11	978	45	1	17	5
Development Properties	4	4	4	2	637	3	-	-	1
Advanced Exploration Properties	13	-	13	12	2,111	13	-	-	-
Exploration Properties	-	-	-	99	16,000	-	-	-	-
Total	**85**	**47**	**85**	**124**	**19,725**	**61**	**1**	**17**	**6**

Figure ES 2: Mineral Asset Location



As at 31 December 2020, the Group's overall land holding position extended over a total area of 17,877km^2 (Table ES 7) representing a total of 111 licenses and Permits. Of these 111 licences, 102 are active with the remaining 9 under review or pending approval of recent applications. The later licences comprise the Bantou AEP, the Nabanga AEP and various licences relating to Miminvest, Houndé Belt Exploration, Mana Exploration and Boromo Goren Exploration.

All of these are situated in West Africa with in-country distribution reflected as follows: Burkina Faso (49%); Côte d'Ivoire (32%); Senegal (9%); Mali (5%); Guinea (2%); and Niger (4%). The group's equity interest in the land holding positions are held via either wholly owned subsidiaries, entities in which the various states/government hold a minority interest and in joint venture arrangements with third parties. Approximately 16 of the licences/permits are either pending/expired.

Table ES 7 Group land holding position

Mineral Assets	Country	Licences/Permits Total (No)	Equity (%)	Area Total (km^2)
Operating Properties				
Boungou Gold Mine	Burkina Faso	1	90.00	29.06
Houndé Gold Mine: HGO	Burkina Faso	1	90.00	23.20
Houndé Gold Mine: BDGO	Burkina Faso	1	90.00	5.37
Ity Gold Mine: SMI	Côte d'Ivoire	1	85.00	25.00
Ity Gold Mine: SMD	Côte d'Ivoire	1	85.00	13.20
Ity Gold Mine: SMF	Côte d'Ivoire	1	90.00	49.50
Karma Gold Mine	Burkina Faso	1	90.00	55.01
Mana Gold Mine	Burkina Faso	1	90.00	76.88

Mineral Assets	Country	Licences/Permits Total (No)	Equity (%)	Area Total (km^2)
Sabodala-Massawa Gold Mine: SDGO	Republic of Senegal	1	90.00	291.20
Sabodala-Massawa Gold Mine: MGO	Republic of Senegal	1	90.00	320.20
Wahgnion Gold Mine	Burkina Faso	1	90.00	89.08
Subtotal		**11**		**977.70**
Development Properties				
Fetekro	Côte d'Ivoire	1	80.00	249.80
Kalana	Republic of Mali	1	80.00	387.00
Subtotal		**2**		**636.80**
Advanced Exploration Properties				
Golden Hill	Burkina Faso	3	100.00	467.98
Bantou	Burkina Faso	5	90.00/81.00	985.42
Nabanga	Burkina Faso	4	90.00	657.53
Subtotal		**12**		**2,110.93**
Exploration Properties				
Bransan	Republic of Senegal	3	93.29	337.87
Sounkounkou	Republic of Senegal	1	100.00	291.7
Massawa	Republic of Senegal	1	100.00	286.1
Afema	Republic of Senegal	4	100.00	1404.2
Miminvest	Republic of Senegal	3	100.00	1171.7
Wahgnion	Burkina Faso	5	100.00	920.02
Houndé Belt Exploration	Burkina Faso	11	100.00	1095.55
Mana Exploration	Burkina Faso	7	100.00	994.723
Sarama JV	Burkina Faso	5	80.86	680.841
Boromo Goren Exploration	Burkina Faso	13	100.00	1574.86
Diapaga Belt Exploration	Burkina Faso	5	100.00	792.569
Banfora Belt Exploration	Burkina Faso	2	100.00	256.36
East Côte d'Ivoire Belt	Cote d'Ivoire	2	100.00	700
LMCI Exploration	Cote d'Ivoire	7	100.00	1701.15
MET CI Exploration	Cote d'Ivoire	3	100.00	493.91
Kofi Block Exploration	Republic of Mali	4	100.00	280.97
Bluebird Exploration	Republic of Mali	1	100.00	75
Kalana Exploration	Republic of Mali	2	100.00	120.8
Guinée Conakry	Guinea	5	100.00	280.32
Niger	Republic of the Niger	2	70.00	693.4
Subtotal		**86**		**14,152.04**
Total		**111**		**17,877.47**

4 MINERAL RESOURCE AND ORE RESERVES

The Mineral Resource and Ore Reserve statements for the Mineral Assets as at 31 December 2020 (the "**2020 Statements**") reported (Table ES 8; Table ES 9; Table ES 10):

- Total Ore Reserves reported on an aggregate basis of 299.8Mt grading 1.87g/tAu with contained gold of 18.0MozAu and on an attributable basis of 260.8Mt grading 1.88g/tAu with contained gold of 15.7MozAu; and
- Total Mineral Resources reported on an aggregate basis of 643.9Mt grading 1.78g/tAu with contained gold of 36.9Moz and on an attributable basis of 568.1Mt grading 1.79g/tAu with contained gold of 32.6MozAu: comprising
  - Measured and Indicated Mineral Resources (reported on an aggregate basis) of 491.1Mt grading 1.80g/tAu with contained gold of 28.4MozAu;
  - Inferred Mineral Resources (reported on an aggregate basis) of 152.8Mt grading 1.75g/tAu with contained gold of 8.6MozAu.

In all instances SRK clarifies that:

- The Mineral Resources and Ore Reserve statements have an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell for open pittable Mineral Resources and either by mine stope optimiser analysis and/or appropriate cut-off grades for underground Mineral Resources. Generally, the assumed long-term gold price assumption for reporting Mineral Resources are assumed at US$1,500/oz;
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources

modified to produce the Ore Reserves; and

- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz with the exception of open pit Ore Reserves at Mana gold Mine (Wona open pit) and the Development Properties which assumed a long-term gold price of US$1,500/oz.

Table ES 8 Mineral Resource and Ore Reserve Statements as at 31 December 2020

Property Development Status	Ore Reserves (100%)[1] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Mineral Resources (100%)[2] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Producing Properties						
Boungou Gold Mine	8.56	3.65	1,004	15.28	3.30	1,621
Houndé Gold Mine	46.29	1.74	2,584	76.24	1.70	4,159
Ity Gold Mine	53.89	1.58	2,745	95.03	1.48	4,524
Karma Gold Mine	5.48	0.90	158	64.22	1.25	2,577
Mana Gold Mine	14.23	3.10	1,418	55.43	2.08	3,709
Sabodala-Massawa Gold Mine	77.37	1.93	4,796	126.37	2.06	8,367
Wahgnion Gold Mine	26.42	1.61	1,367	49.35	1.51	2,402
Subtotal	**232.23**	**1.88**	**14,072**	**481.93**	**1.77**	**27,359**
Development Properties						
Fetekro Gold Project	31.98	2.07	2,133	32.85	2.40	2,537
Kalana Gold Project	35.60	1.60	1,829	50.55	1.57	2,530
Subtotal	**67.57**	**1.82**	**3,961**	**83.40**	**1.90**	**5,083**
Advanced Exploration Properties						
Golden Hill	-	-	-	24.10	1.83	1,421
Bantou	-	-	-	51.11	1.37	2,245
Nabanga	-	-	-	3.40	7.69	841
Subtotal	**-**	**-**	**-**	**78.61**	**1.78**	**4,507**
Total	**299.80**	**1.87**	**18,034**	**643.93**	**1.78**	**36,950**
Attributable	**258.81**	**1.88**	**15,637**	**568.15**	**1.79**	**32,635**

(1) Ore Reserves are reported assuming a long-term gold price ("**LTGP**") of US$1,300/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine and the Development Properties for which a LTGP of US$1,500/oz is assumed.

(2) Mineral Resources are reported assuming a LTGP of US$1,500/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine which assumes a LTGP of US$1,700/oz and the Golden Gill AEP which assumes a LTGP of US$1,800/oz.

Table ES 9 Attributable Mineral Resource and Ore Reserve Statements as at 31 December 2020

Development Status	Ore Reserves (Attributable%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Mineral Resources (Attributable%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Operating Properties						
Boungou Gold Mine	7.70	3.65	904	13.75	3.30	1,459
Houndé Gold Mine	41.66	1.74	2,326	68.62	1.70	3,743
Ity Gold Mine	46.21	1.58	2,361	81.21	1.49	3,882
Karma Gold Mine	4.93	0.90	142	57.80	1.25	2,319
Mana Gold Mine	12.80	3.10	1,276	49.89	2.08	3,338
Sabodala Massawa	69.63	1.93	4,317	113.74	2.06	7,531
Wahgnion Gold Mine	23.78	1.61	1,230	44.41	1.51	2,162
Subtotal	**206.71**	**1.89**	**12,555**	**429.42**	**1.77**	**24,434**
Development Properties						
Fetekro Gold Project	25.58	2.07	1,706	26.28	2.40	2,029
Kalana Gold Project	28.48	1.60	1,463	40.44	1.57	2,037
Subtotal	**54.06**	**1.82**	**3,169**	**66.72**	**1.90**	**4,067**
Advanced Exploration Properties						
Golden Hill	-	-	-	24.10	1.83	1,421
Bantou	-	-	-	44.85	1.36	1,956
Nabanga	-	-	-	3.06	7.69	757
Subtotal	**-**	**-**	**-**	**72.01**	**1.79**	**4,135**
Total	**260.77**	**1.88**	**15,724**	**568.15**	**1.79**	**32,635**

Table ES 10 Mineral Resource Statements as at 31 December 2020

Development Status	Measured and Mineral Indicated (100%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Inferred Mineral Resources (100%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Operating Properties						
Boungou Gold Mine	14.43	3.32	1,538	0.84	3.03	82
Houndé Gold Mine	69.38	1.72	3,829	6.86	1.50	330
Ity Gold Mine	77.12	1.52	3,762	17.91	1.32	762
Karma Gold Mine	47.98	1.23	1,898	16.25	1.30	679
Mana Gold Mine	45.23	2.07	3,009	10.20	2.14	701
Sabodala Massawa	102.11	2.02	6,640	24.27	2.21	1,728
Wahgnion Gold Mine	44.24	1.51	2,152	5.11	1.52	250
Subtotal	**400.48**	**1.77**	**22,827**	**81.44**	**1.73**	**4,532**
Development Properties						
Fetekro Gold Project	32.03	2.40	2,470	0.82	2.51	66
Kalana Gold Project	45.99	1.56	2,302	4.56	1.64	245
Subtotal	**78.02**	**1.90**	**4,772**	**5.38**	**1.80**	**311**
Advanced Exploration Properties						
Golden Hill	12.62	1.85	752	11.48	1.81	669
Bantou	-	-	-	51.11	1.37	2,245
Nabanga	-	-	-	3.40	7.69	841
Subtotal	**12.62**	**1.85**	**752**	**65.99**	**1.77**	**3,755**
Total	**491.12**	**1.80**	**28,352**	**152.81**	**1.75**	**8,598**
Attributable	**432.01**	**1.80**	**24,961**	**136.14**	**1.75**	**7,675**

The Mineral Resource estimates generated for those Mineral Assets acquired as part of the Teranga (Sabodala-Massawa Gold Mine; Wahgnion Gold Mine; Golden Hill Advanced

Development Property, hereinafter the "**Teranga deposits**") and Semafo (Boungou Gold Mine; Mana Gold Mine; Bantou Advanced Exploration Property; and Nabanga Advanced Exploration Property, hereinafter the "**Semafo deposits**") acquisitions are represented by a mixture on in-house and third-party estimates, some of which are legacy estimates that have limited supporting documentation and/or the individuals responsible for the estimates are no longer with the Group. In the majority of cases and for all significant deposits it has been possible to locate the supporting data and model files, however there are examples where the provenance of the files has not always been fully verified, or formed a complete package of synced drillhole data, wireframe domains and estimated block models. This aside coupled with historical technical reports and other information sourced by the Group, SRK has secured sufficient information in order to undertake appropriate due diligence to support the Mineral Resources as reported in the 2020 Statements.

In general terms the estimation domaining applied at the Teranga deposits has adequately defined the mineralisation envelopes, however there are examples where this could be improved to refine the domains either in terms of excluding low grade or waste material and/or packages of mineralisation that could increase the resource base. Similar issues have impacted the Semafo deposits most notably Nabanga and Siou, where there are examples of certain litho/structural domain wireframes being continuous across large distances of what is often un-mineralised material, with large numbers of low grade or un-mineralised intersections, and a small number of sporadically distributed high-grade intersections. These domains should be refined, constraining the volumes to reflect the trends in mineralisation, and subsequently reducing the potential impact of smearing high grades into poorly informed areas.

Given the nature of the mineralisation the Teranga assets typically have a nugget effect in excess of 0.4, and therefore include a degree of inherent variability within the grade distribution. This is normal for gold deposits and underlines the likelihood that the results are not always repeatable whether they are low or high, and therefore a certain amount of smoothing is desirable in the block grade estimation to ensure low grade patches are based on many low grades in the vicinity of each other, and likewise for high grade samples. However, SRK notes that in the case of a number of the Teranga deposits the estimates follow an approach of small block sizes (relative to the drill spacing), low maximum sample numbers, and an inverse distance weighting ("**IDW**") method for estimation. In SRK's opinion these approaches present a risk that local estimation bias has occurred. Even in those examples where Ordinary Kriging ("**OK**") has been applied the typically small block sizes and low maximum sample numbers have in effect restricted the estimate to that of an IDW or nearest neighbour estimate which can be seen in the relatively small difference in the grade tonnage curves for the different estimation approaches. The result of these estimation practices has led to the grade distribution in the interpolated block models representing very closely that of the underlying sample data, and/or the smearing of high grades into relatively large areas of the model which are poorly supported by data. Notwithstanding the above observations, it is SRK's opinion at the global level there the estimates are likely to be representative (within the relative confidence categories assigned), however if an estimation approach with greater smoothing had been incorporated it would impact the local grade distribution, and likely result in a flatter grade tonnage curve and therefore may impact the degree of material above certain cut-off grades.

The Semafo deposits are impacted less from the issue of small blocks, however for a number of the deposits, grade was interpolated into sub-blocks rather than restricting this to the parent block, again raising issues around local grade bias. For some of the Semafo deposits, where the domaining approach has resulted in the mixing of low grade and high-grade composites, some portions of estimated block models are characterised by smearing of high grades into

areas of waste or much lower grade composite grades. In the areas well informed by drilling these factors become less of an issue as the degree of data masks the limitations, however these issues can be quite significant in more poorly informed areas, where a limited number of high grades can become smeared through much larger areas. Additionally, in some cases the selected search parameters have resulted in less robust local grade distributions where the search ellipsoid dimensions and/or orientation is not best optimised to the geometry of the estimation domain. Again, this is most impactful in areas of wider spaced drilling.

Classification approaches have typically followed the application of the different categories (Measured, Indicated and Inferred Mineral Resources) based on estimation search pass and as such produced broadly coherent zones of the same confidence level, however, there remain instances where this can lead to irregular occurrences or patches of different classification within the wider area informed by data to a similar degree. There are also instances where the limits to the different categories have been "stretched" and a tighter approach in these instances would reduce the level of risk in the results presented.

In summary, the estimates are relatively well supported by data (relative to the confidence categories reported within). The estimation domains normally adequately reflect the underlying geology, however in the case of the Semafo deposits further refinement is required to constrain the grade estimation domains. SRK recommends that the estimation approach be revisited for the majority of the estimates such that it reflects on:

- Block size and approach to parent and sub-blocks;
- The inclusion of expanded variography (even if the results are relatively poor) and the interpolation via OK; and
- Selection of search parameters, considering the specific data distribution and grade trends of each deposit.

Addressing the above items will ensure that the resulting estimate respects the underlying data but includes a degree of smoothing that is reflective of the underlying grade variability. SRK understands that the Group has developed a detailed work programme in 2021 to ensure that in respect of the next annual reporting cycle the majority of the issues highlighted above will be addressed and as deemed necessary subject to detailed re-estimation to inform the 2021 Mineral Resource and Ore Reserve estimation process and LoMp,

Furthermore, SRK also considers that following completion of the updated geological models a reassessment of the economic viability of the smaller Mineral Resource models is undertaken. This will ensure that for both open-pit but specifically for underground Mineral Resources that these are tested in respect of compliance with the relevant reporting criteria.

In respect of Ore Reserves SRK notes that a number of key areas require additional focus to ensure that the practices and process are uniformly applied across all of the Mineral Assets and specifically to align those recently acquired with the Group's standard protocols:

- To implement the Group's reconciliation process at the Teranga and Semafo deposits and where practically possible to ensure that these elements capture all relevant historical mining and processing statistics;
- Following completion of the updated geological modelling and Mineral Resource estimation process underway in 2021, to critically review the selected grade bins adopted for the Teranga and Semafo deposits and to assess the impact that the revised estimation may have on mining selectivity in accordance with the current grade bins;
- To consolidate and align the key technical assumptions relied upon for reporting both Mineral Resources and Ore Reserves, specifically in respect of the historical legacy

estimates;

- To better integrate the Life-of-Mine planning process with the strategic waste management planning process both in respect of the tailings storage facilities and the waste rock dumps;
- To develop and extend any considerations for waste management/segregation in respect of material which may prose a ARDML risk; and
- To further the hydrogeological modelling capability and assessment across the Mineral Assets specifically where long-term slope angles assume low pore water pressure to maintain appropriate factors of safety.

5 ENVIRONMENTAL AND SOCIAL LIABILITIES

Current mine closure estimates for the Mineral Assets have been developed as preliminary determinations for inclusion in the Group's closure estimates. These are largely based on consideration of unit remediation cost rates related to an inventory of physical quantities considered necessary for implementation in the event of mine closure. The closure cost estimates generally comprise three components: pre-closure activities (1); closure activities (2); and post closure monitoring (3). These estimates however are considered high level and as such have a number of inherent limitations when considering both immediate closure and LoMp associated liabilities;

- They do not account for the enhanced footprint and related disturbance associated with depletion of the Ore Reserves as reported at 31 December 2020. For example, they do not account for: increased volumes of mined waste and tailings arisings which are required to be deposited in the dedicated waste storage facilities; establishment of new Waste Rock Dumps ("**WRDs**"); mining of open pits for which production has not yet commenced;
- They do not account for retrenchment liabilities associated with termination of employees on cessation of mining and processing operations;
- They are not supported by engineering level of designs, activity scheduling and costings and as such the assumption of a 10% contingency is not appropriate given the level of technical support available at present; and
- The do not account for consideration of recent developments associated with mine closure standards as defined by the following general mine closure standards as considered in Section 1.2 of this CPR, specifically those associated with the *"Guidelines of the International Institute of Environment and Development"* and published in 2002.

Accordingly, SRK has reviewed the immediate closure estimates and modified these as appropriate to establish LoMp closure costs. In summary the key modifications included comprise: additional increments for open pits included in the Ore Reserves but not yet in operation; increased deposition of waste at the WRDs and the Tailings Storage Facilities ("**TSFs**"); increased volume of capping material to allow for the TSF landform following dewatering; increased plant demolition costs where these are noted as being substantially less than appropriate benchmarks; and increased contingency to 25% to reflect the level of engineering design and costing completed to date.

It is however important to note that the mine closure estimates as reported herein are not presently informed by Acid Rock Drainage and Metal Leaching ("**ARDML**") testwork for all deposits and waste production from processing. Furthermore, it is clear that a portion of the waste and ore mined comprises transitional and fresh material representing some 45% or all material mined and 65% of all material processed. As such SRK considers that further work is required to assess the ARDML potential and if required the necessary ameliorating actions

required to segregate waste and to contain and manage any seepage/runoff accordingly.

Furthermore, the potential for long term post closure surface water management including establishing water shedding landforms and other related aspects including active or passive water treatment has not yet been established. A further risk relates to the potential for pollution plumes or seepage from key landforms such as TSFs and WRDs. Accordingly, further investigative and technical study work programmes are required to rule these out and limit the risk for potential further increases in the environmental and social liabilities as reported herein.

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$126.4m for the Mineral Assets. Incorporating the various adjustments as noted above SRK's estimate of the LoMp Bio-physical closure costs are estimated at US$292.3m (Table ES 11). Mine closure related expenditures are generally planned to commence four years prior to planned cessation of mining and processing operations and are typically subdivided into three main sub-categories of expenditures comprising pre-closure expenditures; closure related expenditures; and post closure monitoring expenditures. In addition to the mine closure costs, the retrenchment costs are estimated at US$63.8m which provides for a total Environmental and Social Liability estimate of US$356.1m.

It is however important to note that the Group immediate closure as estimated as presented in Table ES 11 reflects the Groups current undiscounted Asset Retirement Obligations ("**ARO**") estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that current reflected in the ARO estimate by the Group.

Furthermore, the Group has also established various closure funds for all operating mines other than Sabodala-Massawa. As at 31 December 2020 these total US$24.7m and are held in escrow accounts.

Table ES 11 Group Environmental and Social Liabilities

Mineral Assets	Group Immediate Closure (US$m)	Bio-Physical (US$m)	Retrenchment (US$m)	LoMp (US$m)
Operating Property				
Boungou	11.3	17.4	3.0	20.4
Houndé	19.2	45.4	11.2	56.6
Ity	12.8	34.3	7.9	42.2
Karma	12.3	21.9	3.2	25.1
Mana	19.0	31.3	2.5	33.9
Sabodala-Massawa	32.9	57.9	13.2	71.1
Wahgnion	16.8	19.6	7.6	27.3
Subtotal	**124.3**	**227.8**	**49.3**	**277.1**
Development Property				
Fetekro	-	35.0	9.0	44.0
Kalana	2.1	29.5	5.5	35.0
Subtotal	**2.1**	**64.5**	**14.5**	**79.0**
Total	**126.4**	**292.3**	**65.6**	**357.9**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

6 EXPLORATION PROGRAMME

The Group's planned exploration programme as reflected in its latest guidance (Table ES 12) indicates a range of expenditures from US$70m to US$90m with some US$56m of this being directly attributable to the existing Operating Properties of the Group. For the remaining Development Properties, Advanced Exploration Properties and other Exploration Properties a range of US$14m to US$34m has been reported.

Table ES 12 Group exploration guidance

Mineral Assets	2021 Guidance (US$m)
Operating Properties	
Boungou Gold Mine	7
Houndé Gold Mine	7
Ity Gold Mine	9
Karma Gold Mine	0
Mana Gold Mine	8
Sabodala Gold Mine	13
Wahgnion Gold Mine	12
Subtotal	**56**
Development Properties, Advanced Exploration Properties and Exploration Properties	
Estimated Range	**~14 - 34**
Total	**70 – 90**

The key strategic focus for 2021 as reported by the Group comprises:

- In Côte d'Ivoire, targeting new discoveries at the Greater Ity Project through:
  - exploring near mine targets and extensions,
  - extending the Le Plaque deposit and exploring nearby targets at Delta SE extension, Yopleu and South Floleu,
  - exploration of near mine targets at the Fetekro Development Property to expand the current Mineral Resource base,
  - exploration of the Boundoukou exploration property;
- In Burkina Faso, targeting near mine exploration to extend the operating lives of Mana and Boungou and further exploration to extend the Kari and Vindaloo deposits at Houndé Gold Mine and finally to upgrade Mineral Resources at Bantou and advancing the Tankoro targets at the Sarama JV; and
- In Senegal, targeting additional drilling to increase quality of resources at Sabodala/Massawa, including Massawa CZ, focusing on extending the non-refractory ore resources at Sofia North, Samina, Tina and Delya, and other underexplored near-mine or greenfield neighbouring targets.

7 FINANCIAL MODELLING

The financial modelling for the Mineral Assets has been assessed with the express purpose of determining the economic viability of the Ore Reserves as reported herein. The resulting post-tax pre-finance cashflows have been established through the incorporation of the technical and economic parameters for the Operating Properties and the Development Properties as reported herein and incorporating the CMF long term price assumptions as reflected in Table 2-9 of the Main Report and all relevant non-technical assumptions as referenced in 15.2 of the Main Report. Table ES 13 and Table ES 14 presents the annual LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Operating Properties (also known as the Operations).

The financial modelling analyses for the Ore Reserves reported for the Operating Properties indicated as follows:

- Total sales comprising 12.5Moz of gold resulting in total sales revenue of US$18.8bn and an average gold price of US$1,505/oz;

- Projected EBITDA of US$9.0bn;
- Corporate Income Taxation of US$1.4bn;
- Capital Expenditure of US$2.6bn comprising: growth and non-sustaining capital of US$0.8bn; sustaining capital expenditure of US$0.8bn; capitalised waste of US$0.8bn; environmental closure of US$0.3bn; and working capital adjustments of positive US$80.4m;
- Post-tax pre-finance cashflows of US$5.0bn; and
- AISC of US$877/oz, AIC of US$975/oz and total costs of US$1,081/oz.

Table ES 13 Summary annual LoMp TEPs and cashflow assessment for the Operating Properties (2021 through 2029)

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	1,569,443	206,160	180,395	188,935	186,041	181,294	171,364	146,752	114,561	66,068
Waste	(kt)	1,355,727	180,496	155,625	165,719	165,203	157,596	146,868	127,445	94,807	57,224
Ore	(kt)	213,716	25,664	24,770	23,216	20,838	23,698	24,496	19,308	19,754	8,844
	(g/tAu)	1.97	2.11	2.09	2.20	2.64	2.07	1.78	1.79	1.57	1.89
	(kozAu)	13,538	1,737	1,665	1,646	1,766	1,578	1,401	1,114	998	538
Stripping Ratio	(t_{waste}:t_{ore})	6.34	7.03	6.28	7.14	7.93	6.65	6.00	6.60	4.80	6.47
Ore Processed	(kt)	232,228	23,948	23,038	20,346	21,660	21,724	21,598	20,974	20,063	15,621
	(g/tAu)	1.88	2.17	2.04	2.28	2.25	2.22	2.09	1.82	1.92	1.51
	(kozAu)	14,072	1,668	1,513	1,488	1,568	1,554	1,454	1,229	1,238	758
Recovery	(%)	88.6	88.0	89.7	90.4	88.8	88.5	87.1	87.7	88.3	86.0
Production	(kozAu)	12,474	1,467	1,358	1,346	1,393	1,375	1,267	1,078	1,093	652
Poured	(kozAu)	12,473	1,468	1,357	1,346	1,393	1,376	1,267	1,078	1,094	651
Commodity Prices											
Gold	(US$/oz)	1,505	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	12,475	1,475	1,357	1,345	1,392	1,374	1,266	1,077	1,093	652
Sales Revenue											
Gold	(US$m)	18,771.4	2,552.4	2,157.4	2,098.4	2,059.9	1,992.6	1,810.9	1,540.5	1,562.8	931.7
Operating Expenditure											
Mining	(US$m)	(4,648.87)	(609.25)	(510.00)	(536.97)	(520.73)	(527.02)	(477.97)	(414.55)	(353.18)	(232.62)
Processing	(US$m)	(3,116.34)	(321.89)	(308.81)	(285.97)	(327.06)	(324.00)	(321.36)	(302.24)	(272.05)	(198.76)
SG&A	(US$m)	(1,067.59)	(132.67)	(119.76)	(104.96)	(106.97)	(108.17)	(107.23)	(100.20)	(71.24)	(65.26)
CG&A	(US$m)	(258.07)	(41.15)	(35.00)	(33.53)	(26.48)	(27.19)	(26.43)	(26.25)	(15.29)	(10.01)
Royalty	(US$m)	(1,000.69)	(142.01)	(115.71)	(111.36)	(108.66)	(105.57)	(96.74)	(82.82)	(83.62)	(47.68)
SDF	(US$m)	(140.78)	(20.29)	(16.53)	(16.06)	(15.55)	(14.35)	(12.82)	(11.11)	(9.79)	(4.90)
Realisation	(US$m)	(37.02)	(4.34)	(4.00)	(4.00)	(4.14)	(4.09)	(3.79)	(3.21)	(3.26)	(1.89)
Capitalised Waste	(US$m)	801.69	118.89	79.40	111.51	134.01	80.89	80.84	86.55	13.77	48.34
Inventory Movement	(US$m)	(123.18)	46.07	18.08	61.84	14.69	32.86	(0.47)	5.13	(82.41)	(32.89)
Gold Stream Cost	(US$m)	(184.99)	(21.52)	(17.07)	(11.73)	(11.12)	(10.90)	(10.75)	(10.75)	(10.75)	(10.75)
Total	**(US$m)**	**(9,775.84)**	**(1,128.14)**	**(1,029.40)**	**(931.23)**	**(972.02)**	**(1,007.55)**	**(976.70)**	**(859.44)**	**(887.81)**	**(556.42)**
EBITDA	**(US$m)**	**8,995.52**	**1,424.25**	**1,127.97**	**1,167.12**	**1,087.85**	**985.02**	**834.22**	**681.07**	**674.97**	**375.31**
CIT	**(US$m)**	**(1,397.39)**	**(180.39)**	**(222.75)**	**(172.68)**	**(151.73)**	**(143.83)**	**(125.95)**	**(121.29)**	**(85.69)**	**(82.20)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(844.58)	(189.84)	(199.56)	(132.46)	(62.81)	(45.02)	(30.02)	(42.80)	(42.54)	(28.05)
Sustaining	(US$m)	(771.68)	(71.23)	(137.72)	(119.35)	(67.54)	(85.56)	(118.39)	(71.92)	(33.81)	(26.14)
Capitalised Waste	(US$m)	(801.69)	(118.89)	(79.40)	(111.51)	(134.01)	(80.89)	(80.84)	(86.55)	(13.77)	(48.34)
Environmental Closure	(US$m)	(277.10)	(3.02)	(17.99)	(0.82)	(0.82)	(1.20)	(2.70)	(9.66)	(15.27)	(34.61)
Working Capital	(US$m)	80.48	(22.64)	(56.13)	(54.59)	(11.21)	(23.15)	(13.36)	(6.02)	68.34	37.53
Total	**(US$m)**	**(2,614.57)**	**(405.62)**	**(490.79)**	**(418.73)**	**(276.39)**	**(235.82)**	**(245.32)**	**(216.95)**	**(37.05)**	**(99.61)**
Free Cashflow	**(US$m)**	**4,983.55**	**838.24**	**414.44**	**575.72**	**659.73**	**605.36**	**462.96**	**342.84**	**552.23**	**193.51**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.96	2.96	2.83	2.84	2.80	2.91	2.79	2.82	3.08	3.52
Processing	(US$/$t_{proc}$)	13.42	13.44	13.40	14.06	15.10	14.91	14.88	14.41	13.56	12.72
SG&A	(US$/$t_{proc}$)	4.60	5.54	5.20	5.16	4.94	4.98	4.96	4.78	3.55	4.18
CG&A	(US$/$t_{proc}$)	1.11	1.72	1.52	1.65	1.22	1.25	1.22	1.25	0.76	0.64
Direct Site Costs	(US$/$t_{proc}$)	38.04	44.42	40.74	45.61	44.08	44.15	41.97	38.95	34.71	31.79
Refining, Transport, BP	(US$/oz)	2.97	2.94	2.95	2.97	2.98	2.97	2.99	2.98	2.98	2.90
Royalty + SDF	(%)	6.08	6.36	6.13	6.07	6.03	6.02	6.05	6.10	5.98	5.64
AOC	(US$/oz)	759	781	759	730	701	749	762	793	727	787
AISC	**(US$/oz)**	**877**	**846**	**877**	**849**	**810**	**839**	**920**	**907**	**846**	**879**
AIC	(US$/oz)	975	1,041	1,080	1,000	891	904	946	988	824	997
Total Costs	**(US$/oz)**	**1,081**	**1,178**	**1,285**	**1,169**	**1,009**	**1,025**	**1,056**	**1,107**	**839**	**1,066**

Table ES 14 Summary Annual LoMp TEPs and cashflow assessment for the Operating Properties (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	47,429	30,269	30,098	14,290	5,249	383	155	-	-	-
Waste	(kt)	40,852	22,801	26,812	11,822	2,456	-	-	-	-	-
Ore	(kt)	6,577	7,468	3,286	2,467	2,793	383	155	-	-	-
	(g/tAu)	1.46	1.23	1.29	1.22	1.86	5.52	4.76	-	-	-
	(kozAu)	308	295	136	97	167	68	24	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	6.21	3.05	8.16	4.79	0.88	-	-	-	-	-
Ore Processed	(kt)	12,387	7,296	4,244	4,230	4,223	4,011	4,022	2,842	-	-
	(g/tAu)	1.19	1.35	1.18	1.00	1.46	1.15	0.84	0.68	-	-
	(kozAu)	474	316	161	135	198	148	109	62	-	-
Recovery	(%)	92.8	89.9	89.1	88.8	88.9	88.5	88.0	88.0	-	-
Production	(kozAu)	440	284	143	120	176	131	96	55	-	-
Poured	(kozAu)	440	284	143	120	176	131	96	55	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	-	-
Sales											
Gold	(kozAu)	440	284	143	120	176	131	96	55	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Sales Revenue											
Gold	(US$m)	629.1	405.5	204.8	171.8	252.0	186.9	136.8	78.1	-	-
Operating Expenditure											
Mining	(US$m)	(153.95)	(92.81)	(77.51)	(58.62)	(39.94)	(27.10)	(14.74)	(1.91)	-	-
Processing	(US$m)	(137.23)	(79.01)	(41.96)	(41.88)	(42.56)	(40.79)	(40.90)	(29.89)	-	-
SG&A	(US$m)	(53.03)	(33.11)	(17.00)	(14.00)	(12.00)	(10.00)	(8.00)	(4.00)	-	-
CG&A	(US$m)	(8.75)	(3.16)	(1.88)	(2.94)	-	-	-	-	-	-
Royalty	(US$m)	(32.26)	(22.75)	(10.24)	(8.59)	(12.60)	(9.34)	(6.84)	(3.90)	-	-
SDF	(US$m)	(2.98)	(1.27)	(0.03)	(0.03)	(0.01)	(0.02)	(0.02)	(0.02)	(15.00)	-
Realisation	(US$m)	(1.27)	(0.88)	(0.43)	(0.36)	(0.53)	(0.39)	(0.29)	(0.16)	-	-
Capitalised Waste	(US$m)	30.73	-	16.75	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(17.05)	(37.74)	7.28	(6.76)	(43.19)	(29.45)	(29.80)	(29.37)	-	-
Gold Stream Cost	(US$m)	(10.75)	(10.75)	(9.55)	(7.92)	(11.97)	(8.79)	(6.37)	(3.55)	-	-
Total	**(US$m)**	**(386.54)**	**(281.48)**	**(134.56)**	**(141.10)**	**(162.80)**	**(125.88)**	**(106.96)**	**(72.80)**	**(15.00)**	**-**
EBITDA	**(US$m)**	**242.55**	**124.00**	**70.25**	**30.71**	**89.17**	**61.01**	**29.79**	**5.25**	**(15.00)**	**-**
CIT	**(US$m)**	**(46.67)**	**(14.77)**	**(13.56)**	**(8.47)**	**(0.26)**	**(16.30)**	**(11.04)**	**(3.94)**	**0.36**	**3.75**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(18.80)	(10.58)	(8.55)	(18.19)	(10.39)	(4.13)	(0.86)	-	-	-
Sustaining	(US$m)	(17.92)	(7.59)	(3.14)	(2.83)	(2.52)	(2.24)	(2.21)	(1.57)	-	-
Capitalised Waste	(US$m)	(30.73)	-	(16.75)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(32.90)	(48.69)	(26.81)	(4.49)	(3.48)	(2.18)	(2.18)	(70.28)	-	-
Working Capital	(US$m)	10.72	12.48	(8.00)	8.00	41.58	31.45	31.37	31.42	2.71	-
Total	**(US$m)**	**(89.64)**	**(54.38)**	**(63.26)**	**(17.51)**	**25.19**	**22.90**	**26.13**	**(40.43)**	**2.71**	**-**
Free Cashflow	**(US$m)**	**106.24**	**54.85**	**(6.57)**	**4.73**	**114.10**	**67.62**	**44.88**	**(39.12)**	**(11.93)**	**3.75**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.25	3.07	2.58	4.10	7.61	70.82	95.22	-	-	-
Processing	(US$/$t_{proc}$)	11.08	10.83	9.89	9.90	10.08	10.17	10.17	10.52	-	-
SG&A	(US$/$t_{proc}$)	4.28	4.54	4.01	3.31	2.84	2.49	1.99	1.41	-	-
CG&A	(US$/$t_{proc}$)	0.71	0.43	0.44	0.69	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	27.79	28.09	32.16	27.06	22.38	19.42	15.82	12.59	-	-
Refining, Transport, BP	(US$/oz)	2.89	3.11	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Royalty + SDF	(%)	5.60	5.92	5.01	5.02	5.01	5.01	5.01	5.03	-	-
AOC	(US$/oz)	815	822	924	1,052	611	671	740	731	-	-
AISC	**(US$/oz)**	**965**	**982**	**1,012**	**1,132**	**870**	**913**	**1,075**	**1,298**	**-**	**-**
AIC	(US$/oz)	1,044	1,057	1,309	1,265	704	736	795	2,047	-	-
Total Costs	**(US$/oz)**	**1,125**	**1,066**	**1,460**	**1,268**	**469**	**620**	**582**	**1,544**	**-**	**-**

Table ES 15 presents the LoMp contributions for each of the Operating Properties as reflected in each respective financial model. Analysis of the total LoMp contributions to the post-tax pre-finance cashflows indicates the following distribution: Boungou (9.0%); Houndé (20.5%); Ity (19.2%); Karma (0.4%); Mana (5.5%); Sabodala-Massawa (36.8%); and Wahgnion (8.6%).

Table ES 15 Summary LoMp TEPs and cashflow assessment for the Operating Properties

Statistic	Units	Boungou	Houndé	Ity	Karma	Mana	Sab-Mas.	Wahgnion	Operations
Production									
Mined	(kt)	141,138	409,974	241,657	34,443	40,297	436,230	265,704	1,569,443
Waste	(kt)	133,059	365,732	194,168	29,281	26,208	367,082	240,198	1,355,727
Ore	(kt)	8,080	44,242	47,490	5,162	14,089	69,148	25,506	213,716
	(g/tAu)	3.71	1.76	1.69	0.93	3.10	2.06	1.64	1.97
	(kozAu)	964	2,499	2,585	154	1,406	4,587	1,343	13,538
Stripping Ratio	(t_{waste}:t_{ore})	16.47	8.27	4.09	5.67	1.86	5.31	9.42	6.34
Ore Processed	(kt)	8,557	46,287	53,887	5,482	14,225	77,365	26,425	232,228
	(g/tAu)	3.65	1.74	1.58	0.90	3.10	1.93	1.61	1.88
	(kozAu)	1,004	2,584	2,745	158	1,418	4,796	1,367	14,072
Recovery	(%)	93.9	90.9	84.6	81.7	86.8	88.2	93.1	88.6
Production	(kozAu)	943	2,348	2,321	129	1,231	4,229	1,272	12,474
Poured	(kozAu)	943	2,348	2,321	129	1,231	4,229	1,272	12,473
Commodity Prices									
Gold	(US$/oz)	1,546	1,503	1,501	1,663	1,525	1,486	1,512	1,505
Sales									
Gold	(kozAu)	942	2,347	2,328	129	1,230	4,227	1,272	12,475
Sales Revenue									
Gold	(US$m)	1,455.95	3,527.19	3,494.25	214.57	1,875.99	6,278.88	1,924.51	18,771.36
Operating Expenditure									
Mining	(US$m)	(266.22)	(794.16)	(836.11)	(48.46)	(714.09)	(1,345.09)	(644.74)	(4,648.87)
Processing	(US$m)	(252.37)	(564.27)	(681.86)	(42.24)	(287.71)	(969.87)	(318.03)	(3,116.34)
SG&A	(US$m)	(121.64)	(243.93)	(194.49)	(17.49)	(96.60)	(278.25)	(115.20)	(1,067.59)
CG&A	(US$m)	(22.00)	(49.90)	(49.69)	(3.41)	(27.45)	(77.58)	(28.03)	(258.07)
Royalty	(US$m)	(72.80)	(246.90)	(144.04)	(14.72)	(93.80)	(314.15)	(114.28)	(1,000.69)
SDF	(US$m)	(14.56)	(35.27)	(17.47)	(2.15)	(18.76)	(33.37)	(19.21)	(140.78)
Realisation	(US$m)	(2.84)	(7.87)	(5.80)	(0.30)	(3.71)	(12.69)	(3.82)	(37.02)
Capitalised Waste	(US$m)	107.90	215.87	114.70	12.33	23.00	240.71	87.17	801.69
Inventory Movement	(US$m)	(17.73)	(22.56)	(40.20)	(22.61)	(8.10)	(3.77)	(8.21)	(123.18)
Gold Stream Cost	(US$m)	-	-	-	(14.72)	-	(170.27)	-	(184.99)
Total	**(US$m)**	**(662.25)**	**(1,748.98)**	**(1,854.95)**	**(153.76)**	**(1,227.22)**	**(2,964.32)**	**(1,164.35)**	**(9,775.84)**
EBITDA	**(US$m)**	**793.70**	**1,778.20**	**1,639.30**	**60.81**	**648.77**	**3,314.56**	**760.17**	**8,995.52**
CIT	**(US$m)**	**(197.46)**	**(257.48)**	**(251.18)**	**(8.03)**	**(80.14)**	**(546.72)**	**(56.38)**	**(1,397.39)**
Capital Expenditure									
Growth and Non-Sustaining	(US$k)	(4.77)	(49.36)	(186.35)	(5.23)	(126.79)	(418.17)	(53.90)	(844.58)
Sustaining	(US$k)	(24.94)	(193.60)	(94.73)	(5.48)	(102.06)	(220.49)	(130.39)	(771.68)
Capitalised Waste	(US$k)	(107.90)	(215.87)	(114.70)	(12.33)	(23.00)	(240.71)	(87.17)	(801.69)
Environmental Closure	(US$k)	(20.42)	(56.58)	(42.22)	(25.11)	(33.86)	(71.66)	(27.25)	(277.10)
Working Capital	(US$k)	9.31	14.42	8.53	15.49	(8.23)	17.89	23.08	80.48
Total	**(US$k)**	**(148.72)**	**(500.99)**	**(429.48)**	**(32.66)**	**(293.93)**	**(933.15)**	**(275.64)**	**(2,614.57)**
Free Cashflow	**(US$k)**	**447.52**	**1,019.74**	**958.65**	**20.12**	**274.70**	**1,834.69**	**428.15**	**4,983.55**
Unit Costs									
Mining	(US$/$t_{mined}$)	1.89	1.94	3.46	1.41	17.72	3.08	2.43	2.96
Processing	(US$/$t_{proc}$)	29.49	12.19	12.65	7.70	20.23	12.54	12.04	13.42
SG&A	(US$/$t_{proc}$)	14.22	5.27	3.61	3.19	6.79	3.60	4.36	4.60
CG&A	(US$/$t_{proc}$)	2.57	1.08	0.92	0.62	1.93	1.00	1.06	1.11

Statistic	Units	Boungou	Houndé	Ity	Karma	Mana	Sab-Mas.	Wahgnion	Operations
Direct Site Costs	(US$/$t_{proc}$)	74.82	34.62	31.78	19.74	77.21	33.52	40.79	38.04
Refining, Transport, BP	(US$/oz)	3.01	3.35	2.49	2.33	3.01	3.00	3.00	2.97
Royalty + SDF	(%)	6.00	8.00	4.62	7.86	6.00	5.53	6.94	6.08
AOC	(US$/oz)	684	736	780	902	991	660	909	759
AISC	**(US$/oz)**	**790**	**916**	**868**	**1,180**	**1,080**	**752**	**1,079**	**877**
AIC	(US$/oz)	852	955	968	1,275	1,223	885	1,143	975
Total Costs	(US$/oz)	1,052	1,059	1,072	1,218	1,295	1,010	1,170	1,081

8 CLOSING STATEMENT

The CPR is addressed to and may be relied upon by the Company, the Directors of the Company and its advisors in support of the Listing, specifically in respect of compliance with the Requirements, the Reporting Standard and as appropriate Prospectus Rule 5.5.4R(2)(f). Accordingly, SRK has confirmed in writing (the "**Consent Letter**"), dated on the Publication Date that it:

- Accepts reliance as regards the CPR for any benefit of the Company and its Advisors;
- Consents to the inclusion of the CPR, and to the inclusion of any extracts from the CPR in the Prospectus;
- Confirms that all information contained in the Prospectus which is extracted from the CPR or based upon information contained in the CPR has been reviewed by SRK and that such information as presented is accurate, balanced, complete and not inconsistent with the CPR in accordance with Prospectus Rule 5.5.4R(2)(f); and
- Takes responsibility for the CPR and declares that it has taken all reasonable care to ensure that the information contained in the CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

SRK believes that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK has no obligation or undertaking to advise any person of any development in relation to Mineral Assets which comes to its attention after the date of this CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of this CPR.

The work completed by SRK in preparing this report has enabled it to present:

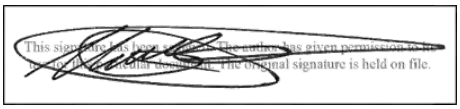
- Mineral Resource and Ore Reserve estimates for all of the Company's operating mines, Development Projects and Advanced Exploration Properties;
- A review of the Company's Exploration Programme and the potential in the Company's Exploration Properties;
- An assessment of the Environmental and Social practices relating to the Mineral Assets specifically:
  - the regulatory framework in which the Company operates;
  - the key features of the HSE management systems in effect at the operations;
  - the potential ESHS risks at each of the operations;
  - the asset retirement obligations and closure liabilities associated with the operations and the conformance of the operations to international standards in respect if environmental and social impact management.
- An assessment of the technical and economic parameters as incorporated into the LoMp for

the Mineral Assets through development of detailed post-tax pre-finance cashflow models which deplete the Ore Reserves as reported herein; and

- A summary of the key risks and opportunities as they relate to the Mineral Assets as reflected in the underlying technical sections for each of the Mineral Assets.

For and behalf of SRK Consulting (UK) Limited





Dr Iestyn Humphreys,
Corporate Consultant (Due Diligence),
SRK Consulting (UK) Limited.

Dr Timothy Lucks,
Principal Consultant (Geology),
SRK Consulting (UK) Limited.

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A.3 ADVANCED DEVELOPMENT PROPERTIES 3

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COMPETENT PERSONS' REPORT ON THE MINERAL ASSETS OF ENDEAVOUR MINING PLC

1 INTRODUCTION

1.1 Background

SRK Consulting (UK) Limited ("**SRK**") has been appointed by Endeavour Mining plc ("**Endeavour**" and the "**Company**") to prepare a Competent Persons' Report ("**CPR**"), pursuant to the requirements (defined in Section 1.2.1 below) on its gold mining and exploration assets (the "**Mineral Assets**") located in various countries in "**West Africa**": "**Burkina Faso**", the Republic of Côte d'Ivoire ("**Côte d'Ivoire**"), the Republic of Guinea ("**Guinea**"), the Republic of Mali ("**Mali**"), the Republic of the Niger ("**Niger**"), the Republic of Senegal ("**Senegal**").

Endeavour is a senior diversified gold mining company which owns and manages the Mineral Assets comprising both open pit and underground mines, development projects and exploration properties. The Company's equity interest in the Mineral Assets are held through various wholly owned subsidiaries incorporated in the countries within which it operates and additional offshore entities and structures which are also wholly owned, hereinafter the "**Group**". Certain of the Exploration Properties are managed through Joint Venture arrangements e.g. the Sarama Joint Venture ("**Sarama JV**") which manages a number of Exploration Properties located in Burkina Faso.

Endeavour Mining Corporation ("**EMC**"), incorporated in the Cayman Islands ("**Cayman**") is currently the holding company for the Group whose shares are listed on the Toronto Stock Exchange ("**TSX**") under ticker "**EDV**" and also quoted in the United States of America ("**United States**") on OTCQX International under ticker "**EDVMF**", a market operated by OTC Markets Group. SRK has been informed that in parallel to the Admission (defined below in Section 1.2), the Group structure will be amended to result in the Company becoming the parent company of the Group and its shares being admitted to listing and to trading on both the London Stock Exchange and the TSX. Furthermore, SRK notes that the Company has acquired a significant number of the Mineral Assets during 2020, specifically in respect of those Mineral Assets previously owned by Teranga Gold Corporation ("**Teranga**") which was completed on 10 February 2021 and separately by SEMAFO Inc ("**Semafo**") which was completed on 1 July 2020. Accordingly it is important to note in respect of the recently acquired Mineral Assets, the Company is in part relying on historical technical work products completed by the prior operators and as such have not yet been fully integrated into the Company's geological and mining processes, and during 2021 will be subject to further review and potential adjustments during the Company's 2021 planning cycle. Furthermore, SRK has also been informed that on 2 March 2021, the Company completed the sale of its non-core "**Agbaou Gold Mine**" located in Côte d'Ivoire to Allied Gold Corp ("**Allied**"). Accordingly, this CPR does not include, report or opine upon any technical and/or economic information relating to the Agbaou Gold Mine.

For the 12-month period through to 31 December 2020, a review of the consolidated operational and financial highlights as reported in the Company's Management Discussion and Analysis ("**MD&A**") indicates as follows:

- Total gold production of 803kozAu (2019: 651kozAu);
- Total gold sales of 809kozAu (2019: 649kozAu);
- All-In Sustaining Costs ("**AISC**") of US$853/oz (2019: US$824/ozAu);
- Adjusted Earnings Before Interest Taxation, Depreciation and Amortisation ("**EBITDA**") of US$703.1m (2019: US$355.7m);
- Total capital expenditures of US$249.7m (2019: US$243.3m) comprising growth projects of US$7.7m (2019: US$94.1m), non-sustaining capital expenditure of US$105.3m (2019: US$57.3m) and non-sustaining exploration expenditures of US$63.3m (2019: US$39.2m); and
- Total mining interests valued at US$2.6bn (2019 US$1.4bn).

The Mineral Assets are located within the Birimian Greenstone Belt in West Africa, a geological province which has a significant demonstrable history of exploration and production potential to date. Classified in accordance with development status (Section 1.2.2) the Mineral Assets, comprise seven Producing Properties ("**PP**"), two Development Properties ("**DP**"), three Advanced Exploration Properties ("**AEP**"), and 20 groupings of Exploration Properties ("**EP**"). The Mineral Assets are located within 111 mineral licences for a total land package of 17,877km^2 with 25 of these licences representing 3,725km^2 and hosting some 85 deposit groupings for which Mineral Resources are reported. Of these 85 deposit groupings, 61 report open pittable ("**o/p**") resources only; one reports underground resources only; 17 report both open pittable and underground resources ("**u/g**"); and six comprise surface stockpiles ("**s/p**").

The Mineral Assets (Table 1-1; Table 1-2) held by the Company as at 31 December 2020 and reported upon in this CPR are:

- a 90% equity interest in "**Boungou Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a Carbon-in-Pulp ("**CIP**") plant with a capacity of 1.3Mtpa which for 12-month the period ended 31 December 2020 sold 155kozAu at an AISC of US$680/ozAu;
- a 90% equity interest in "**Houndé Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a Carbon-in-Leach ("**CIL**") plant with a capacity of 4.4Mtpa which for the 12-month period ended 31 December 2020 sold 278kozAu at an AISC of US$836/ozAu;
- a variable (85% to 90%) equity interest in "**Ity Gold Mine**" located in Côte d'Ivoire comprising an open pit mining operation processing through a CIL plant with a capacity of 5.6Mtpa which for the 12-month period ended 31 December sold 208kozAu at an AISC of US$808/ozAu;
- a 90% equity interest in "**Karma Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a heap leach facility ("**HLF**") with a capacity of 5.0Mtpa which for the 12-month period ended 31 December 2020 sold 98kozAu at an AISC of US$1,007/ozAu;
- a 90% equity interest in "**Mana Gold Mine**" located in Burkina Faso comprising and open pit and underground mining operation processing through a CIL plant with a capacity of 2.3Mtpa which for the 12-month period ended 31 December 2020 sold 214kozAu at an AISC of US$769/ozAu;
- a 90% equity interest in "**Sabodala-Massawa Gold Mine**" located in Senegal comprising an open pit mining operation processing through a CIL plant with a capacity of 4.3Mtpa which for the 12-month period ended 31 December 2020 sold 226kozAu at an AISC of

US$950/ozAu;

- a 90% equity interest in "**Wahgnion Gold Mine**" located in Burkina Faso comprising an open pit mining operation processing through a CIL plant with a capacity of 3.4Mtpa which for the 12-month period ended 31 December 2020 sold 181kozAu at an AISC of US$954kozAu;
- a 80% equity interest in the **"Fetekro Development Property"** located in Côte d'Ivoire which assumes construction of an open pit mine processing through a CIP plant with capacity of 3.3Mtpa at a total initial capital investment of US$338.0m and is currently the subject of a feasibility study planned for completion in Q4 2021;
- a 80% equity interest in the **"Kalana Development Property"** located in Mali which assumes construction of an open pit mine processing through a CIL plant with capacity of 3.7Mtpa at a total initial capital investment of US$297.0m;
- Advanced Exploration Properties for which Mineral Resources have been defined to date and includes: a 100% equity interest in the "**Golden Hill AEP**"; a 90% equity interest in the "**Bantou AEP**"; and 90% equity interest the "**Nabanga AEP**"; and
- Exploration Properties comprising interests in over 86 mineral licences extending over a total land package of 14,152km^2.

Table 1-1: Mineral Assets: Producing Properties and Development Properties

Property Development Status	Country	Exploitation Licences (No)	Equity (%)	Mine/Plant Type	Capacity Mining (Mt)	Capacity Processing (Mt)	2020 Statistics Processed (Mt)	2020 Statistics Sales (koz)	AISC (koz)
Producing Properties									
Boungou Gold Mine	Burkina Faso	1	90.00	o/p; CIP	25.4	1.3	1.1	155	680
Houndé Gold Mine	Burkina Faso	2	90.00	o/p; CIL	45.2	4.4	4.2	278	836
Ity Gold Mine	Côte d'Ivoire	3	85.00; 90.00	o/p; CIL	23.8	5.6	5.4	208	808
Karma Gold Mine	Burkina Faso	1	90.00	o/p; HL	21.4	5.0	4.9	98	1,007
Mana Gold Mine	Burkina Faso	1	90.00	o/p&u/g; CIL	31.4	2.3	2.4	214	769
Sabodala-Massawa Gold Mine	Senegal	2	90.00	o/p; CIL	29.2	4.3	4.1	226	950
Wahgnion Gold Mine	Burkina Faso	1	90.00	o/p; CIL	25.8	3.4	3.5	181	954
Total		**11**			**202.2**	**26.3**	**25.6**	**1,360**	**850**
Development Properties									
Fetekro Gold Project	Côte d'Ivoire	1	80.00	o/p; CIP			n/a	n/a	n/a
Kalana Gold Project	Mali	1	80.00	o/p; CIL			n/a	n/a	n/a
Total		**2**							

Table 1-2: Mineral Asset distribution

Development Status	Deposits (No)	Ore Reserves (No)	Mineral Resources (No)	Licences (No)	Area (km^2)	Resource Statements o/p (No)	Resource Statements u/g (No)	Resource Statements o/p, u/g (No)	Resource Statements s/p (No)
Producing Properties	68	43	68	11	978	45	1	17	5
Development Properties	4	4	4	2	637	3	-	-	1
Advanced Exploration Properties	13	-	13	12	2,111	13	-	-	-
Exploration Properties	-	-	-	99	16,000	-	-	-	-
Total	**85**	**47**	**85**	**124**	**19,725**	**61**	**1**	**17**	**6**

The Mineral Resource and Ore Reserve statements for the Mineral Assets as at 31 December 2020 (the "**2020 Statements**") reported (Table 1-3; Table 1-4; Table 1-5):

- Total Ore Reserves reported on an aggregate basis of 299.8Mt grading 1.87g/tAu with contained gold of 18.0MozAu and on an attributable basis of 260.8Mt grading 1.88g/tAu with contained gold of 15.7MozAu; and
- Total Mineral Resources reported on an aggregate basis of 643.9Mt grading 1.78g/tAu with contained gold of 36.9Moz and on an attributable basis of 568.1Mt grading 1.79g/tAu with contained gold of 32.6MozAu: comprising
  - Measured and Indicated Mineral Resources (reported on an aggregate basis) of 491.1Mt grading 1.80g/tAu with contained gold of 28.4MozAu;
  - Inferred Mineral Resources (reported on an aggregate basis) of 152.8Mt grading 1.75g/tAu with contained gold of 8.6MozAu.

Table 1-3: Mineral Resource and Ore Reserve Statements as at 31 December 2020

Property Development Status	Ore Reserves (100%)[1] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Mineral Resources (100%)[2] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Producing Properties						
Boungou Gold Mine	8.56	3.65	1,004	15.28	3.30	1,621
Houndé Gold Mine	46.29	1.74	2,584	76.24	1.70	4,159
Ity Gold Mine	53.89	1.58	2,745	95.03	1.48	4,524
Karma Gold Mine	5.48	0.90	158	64.22	1.25	2,577
Mana Gold Mine	14.23	3.10	1,418	55.43	2.08	3,709
Sabodala-Massawa Gold Mine	77.37	1.93	4,796	126.37	2.06	8,367
Wahgnion Gold Mine	26.42	1.61	1,367	49.35	1.51	2,402
Subtotal	**232.23**	**1.88**	**14,072**	**481.93**	**1.77**	**27,359**
Development Properties						
Fetekro Gold Project	31.98	2.07	2,133	32.85	2.40	2,537
Kalana Gold Project	35.60	1.60	1,829	50.55	1.57	2,547
Subtotal	**67.57**	**1.82**	**3,961**	**83.40**	**1.90**	**5,083**
Advanced Exploration Properties						
Golden Hill	-	-	-	24.10	1.83	1,421
Bantou	-	-	-	51.11	1.37	2,245
Nabanga	-	-	-	3.40	7.69	841
Subtotal	**-**	**-**	**-**	**78.61**	**1.78**	**4,507**
Total	**299.80**	**1.87**	**18,034**	**643.93**	**1.78**	**36,950**
Attributable	**260.77**	**1.88**	**15,724**	**568.15**	**1.79**	**32,635**

(1) Ore Reserves are reported assuming a long-term gold price ("**LTGP**") of US$1,300/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine and the Development Properties for which a LTGP of US$1,500/oz is assumed.

(2) Mineral Resources are reported assuming a LTGP of US$1,500/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine which assumes a LTGP of US$1,700/oz and the Golden Gill AEP which assumes a LTGP of US$1,800/oz.

Table 1-4: Attributable Mineral Resource and Ore Reserve Statements as at 31 December 2020

Development Status	Ore Reserves (Attributable%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Mineral Resources (Attributable%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Operating Properties						
Boungou Gold Mine	7.70	3.65	904	13.75	3.30	1,459
Houndé Gold Mine	41.66	1.74	2,326	68.62	1.70	3,743
Ity Gold Mine	46.21	1.58	2,361	81.21	1.49	3,882
Karma Gold Mine	4.93	0.90	142	57.80	1.25	2,319
Mana Gold Mine	12.80	3.10	1,276	49.89	2.08	3,338
Sabodala Massawa	69.63	1.93	4,317	113.74	2.06	7,531
Wahgnion Gold Mine	23.78	1.61	1,230	44.41	1.51	2,162
Subtotal	**206.71**	**1.89**	**12,555**	**429.42**	**1.77**	**24,434**
Development Properties						
Fetekro Development Property	25.58	2.07	1,706	26.28	2.40	2,029
Kalana Development Property	28.48	1.60	1,463	40.44	1.57	2,037
Subtotal	**54.06**	**1.82**	**3,169**	**66.72**	**1.90**	**4,067**
Advanced Exploration Properties						
Golden Hill AEP	-	-	-	24.10	1.83	1,421
Bantou AEP	-	-	-	44.85	1.36	1,956
Nabanga AEP	-	-	-	3.06	7.69	757
Subtotal	**-**	**-**	**-**	**72.01**	**1.79**	**4,135**
Total	**260.77**	**1.88**	**15,724**	**568.15**	**1.79**	**32,635**

Table 1-5: Mineral Resource Statements as at 31 December 2020

Development Status	Measured and Mineral Indicated (100%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Inferred Mineral Resources (100%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Operating Properties						
Boungou Gold Mine	14.43	3.32	1,538	0.84	3.03	82
Houndé Gold Mine	69.38	1.72	3,829	6.86	1.50	330
Ity Gold Mine	77.12	1.52	3,762	17.91	1.32	762
Karma Gold Mine	47.98	1.23	1,898	16.25	1.30	679
Mana Gold Mine	45.23	2.07	3,009	10.20	2.14	701
Sabodala Massawa	102.11	2.02	6,640	24.27	2.21	1,728
Wahgnion Gold Mine	44.24	1.51	2,152	5.11	1.52	250
Subtotal	**400.48**	**1.77**	**22,827**	**81.44**	**1.73**	**4,532**
Development Properties						
Fetekro Development Property	32.03	2.40	2,470	0.82	2.51	66
Kalana Development Property	45.99	1.56	2,302	4.56	1.64	245
Subtotal	**78.02**	**1.90**	**4,772**	**5.38**	**1.80**	**311**
Advanced Exploration Properties						
Golden Hill AEP	12.62	1.85	752	11.48	1.81	669
Bantou AEP	-	-	-	51.11	1.37	2,245
Nabanga AEP	-	-	-	3.40	7.69	841
Subtotal	**12.62**	**1.85**	**752**	**65.99**	**1.77**	**3,755**
Total	**491.12**	**1.80**	**28,352**	**152.81**	**1.75**	**8,598**
Attributable	**432.01**	**1.80**	**24,961**	**137.28**	**1.75**	**7,738**

This CPR presents the following key technical information as at the Effective Date (defined below):

- Mineral Resources and Ore Reserve statements (the "**2020 Statements**") for the Mineral Assets and specifically the Producing Properties, the Development Properties and the Advanced Exploration Properties (defined in 1.2.2 below) are reported in accordance with the terms and definitions of the JORC Code (2012) also defined in Section 1.2.2 below;

- The Life-of-Mine plans ("**LoMp**") for the Mineral Assets reflecting production scenarios (the "**LoMp Scenarios**") including depletion of Ore Reserves including assumed production, sales, sales revenue, operating and capital expenditure commencing 1 January 2021;
- The "**Environmental and Social Liabilities**" for the Mineral Assets inclusive of all mine closure related expenditures and retrenchment costs for the LoMp Scenarios;
- The "**Exploration Programme**" for the Mineral Assets specifically relating to the Advanced Exploration Properties and the Exploration Properties; and
- Financial Modelling of the Mineral Assets undertaken to support the technical and economic viability of the Ore Reserves and the LoMp Scenarios as reported herein.

For the avoidance of doubt, this CPR is limited to the Mineral Assets and specifically exclude all assets and liabilities relating to the Group's activities external to the Mineral Assets as defined herein. Notwithstanding the aforementioned, this CPR does include the results of the Financial Modelling of the Mineral Assets which relies on certain inputs including TEPs as provided by the Company and as appropriate, modified and adjusted by SRK. Certain units of measurements and technical terms defined in the JORC Code (defined in 1.2.2 below) are defined in the glossaries, abbreviations and units included at the end of this CPR.

1.2 Requirement, Reporting Standard and Reliance

The CPR will be published in a "**Prospectus**" being issued in connection with the admission (the "**Admission**") of shares in the Company to the premium listing segment of the "**Official List**" of the Financial Conduct Authority ("**FCA**") and to trading on the "**Main Market**" of the London Stock Exchange (the "**LSE**"), market operated by the London Stock Exchange Group plc. SRK also understands that the Company is to be established, via a "**Scheme of Arrangement**" pursuant to section 86 of the Cayman Companies Act, as the parent company of EMC and that application is also being made for the admission of the Company's shares to listing and trading on the TSX.

1.2.1 Requirement

The Prospectus is expected to be published on or around 9 June 2021, hereinafter the "**Publication Date**".

The CPR has been prepared in compliance with the following requirements which together comprise the "**Requirements**":

- The "**Prospectus Regulation Rules**" and the "**Listing Rules**" published by the FCA from time to time and under Part VI of the Financial Services and Markets Act 2000 of the United Kingdom (the "**FSMA**");
- The UK version of Regulation EU (2017/1129) as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"); and
- The *"ESMA update of the CESR recommendations: The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive"*, published on 20 March 2013: specifically paragraphs 131 to 133, section 1b – mineral companies, Appendix I – Acceptable Internationally Recognised Mining Standards, and Appendix II – Mining Competent Persons' Report – recommended content, hereinafter and collectively referred to as the "**CESR Recommendations**".

With respect of paragraphs 132(a)-(e) of the CESR Recommendations SRK notes that all relevant details are included in the stand-alone Sections for each of the Mineral Properties referenced under the following groupings:

- **Producing Properties:** Section 4 Boungou Gold Mine; Section 5 Houndé Gold Mine; Section 6 Ity Gold Mine; Section 7 Karma Gold Mine; Section 8 Mana Gold Mine; Section 9 Sabodala-Massawa Gold Mine; Section 10 Wahgnion Gold Mine;
- **Development Properties:** Section 11 Fetekro Development Property; and Section 12 Kalana Development Property; and
- **Advanced Exploration Properties:** Section 13.2 Golden Hill; Section 13.3 Bantou; and Section 13.4 Nabanga; and
- **Exploration Properties:** Section 14.

In respect of compliance with "**Appendix II**" of the CESR Recommendations, specifically the recommended content of the Competent Persons' Reports SRK respectfully highlights the following:

- **Scope of the CPR:** The primary focus of the CPR is with respect to the provision of independently audited and current: Mineral Resources and Ore Reserves; Life-of-Mine plans (limited to Ore Reserves only); Environmental and Social Liabilities; Exploration Programmes; and Financial Modelling of the Mineral Assets as reported herein; and
- **Compliance Cross Reference** for similar groupings noted for paragraphs 132(a)-(e) above, the following items are referenced in Section 4 through 10 for the Operating Properties, Section 11 through 12 for the Development Properties, Section 13 for the Advanced Exploration Properties, and Section 14 for the Exploration Properties unless otherwise noted:
  - Item (i) Legal and Geological Overview of the Mineral Assets including (1) and (2),
  - Item (ii) Geological Overview,
  - Item (iii) Mineral Resources and Ore Reserves including (1) (2), (3), (4 and 5), (6), (7), (8a), (8b), 8 (c and d),
  - Item (iv) Valuation of Ore Reserves/Mineral Assets. This CPR does not include a Valuation of Ore Reserves, and for the avoidance of doubt, does not include a valuation of the Mineral Assets. Notwithstanding this statement, the CPR provides sufficient information as reported in Section 2 Commodity Prices And Macro-Economics; Section 15 Financial Modelling to derive a valuation of the Ore Reserves as reported herein,
  - Item (v) Environmental, Social and Facilities: (1), (2), (3),
  - Item (vi) Historic Production/Expenditures,
  - Item (vii) Infrastructure,
  - Item (viii) Maps,
  - Item (ix) Special Factors.

1.2.2 Reporting Standard

Mineral Resources and Ore Reserves

The reporting standard adopted for the reporting of the Mineral Resource and Ore Reserve statements included in the CPR is the *"The 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia"* (the "**JORC Code**"). The JORC Code is a reporting code which has been aligned with the Committee for Mineral Reserves International Reporting Standards ("**CRIRSCO**") reporting template. Accordingly, SRK considers the JORC Code to be an internationally recognised reporting standard that is adopted worldwide for market-related reporting and financial investments.

Notwithstanding, the above SRK understands that the Company in accordance with its obligations on the TSX, reports its Mineral Resources and Mineral Reserves in accordance with the provisions adopted by the Canadian Institute of Mining and Metallurgy ("**CIM**") Definition Standards on Mineral Resources and Reserves (the "**CIM Definition Standards**") and incorporated into Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") adopted by CIM Council in May 2014. SRK confirms that, the Mineral Resource and Ore Reserve statements as reported herein are directly comparable with that reported by the Company and if re-reported in accordance with CIM Definition Standards would be identical in respect of the individual 'resource' and 'reserve' confidence categories and all quantitative declarations reported therein. Appendix A of this CPR includes the Mineral Resources and Mineral Reserves for the Mineral Assets reported in accordance with CIM Definition Standards.

Development Status

The Mineral Assets as reported are classified into various groupings reflecting the development stage at the Effective Date of this CPR. The development stage groupings comprise:

- **Producing Property ("PP"):** mineral assets for which current Ore Reserves are declared and mining and processing operations have been commissioned and are in production;
- **Development Property ("DP"):** mineral assets for which Ore Reserves have been declared and are essentially supported by a minimum of a pre-feasibility study which on a multi-disciplinary basis demonstrates that the consideration is technically feasible and economically viable;
- **Pre-Development Property ("PDP"):** mineral assets for which Mineral Resources have been defined but where a decision to proceed with development has not been made;
- **Advanced Exploration Property ("AEP"):** mineral assets for which only Mineral Resources have been declared; and
- **Exploration Property ("EP"):** mineral assets for which no Mineral Resources have been declared.

Technical Study Standards

The standard of technical study assumed by SRK to be required to support the reporting on an Ore Reserve statement is a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established and an effective method of mineral processing has been determined, and includes a financial analysis based on reasonable assumptions of technical, engineering, legal, operating, economic, social, and environmental factors and the evaluation of other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as an Ore Reserve. For the avoidance of doubt this would commonly ensure that the technical feasibility and economic viability of the mineral project has been demonstrated on a multi-disciplinary basis to a Pre-Feasibility Study ("**PFS**") level at least. SRK notes that such studies are not normally dependent on Inferred Mineral Resources to demonstrate economic viability and generally include appropriate contingencies (± 20% to 25%) with respect to capital expenditures to account for the lower amount of site-specific engineering designs completed compared to that normally included in a Feasibility Study. Furthermore, it is also general industry practice to acknowledge that such studies in reflecting a lower degree of accuracy are accompanied by higher accuracy/sensitivity ranges (±20%). A key deliverable of a PFS would be for it to include a recommendation of a single and sufficiently positive technical and economic

outcome such that advancement to Feasibility-Study level is warranted.

Environmental and Social Standards

Environmental and Social Standards as considered in this CPR has been, where practically possible, assessed with due consideration for various national and international legislation and regulations as well as consideration for international standards and guidance. In respect of the latter standards and guidance SRK has considered the Group's stated objective for adherence to the International Financial Corporation's Performance Standards ("**IFC PS**") and relevant World Bank Group's Environmental Health and Safety Guidelines.

Accordingly, the principal focus of the Environmental and Social review in respect of the Mineral Assets comprised a review of the Environmental Management Practices and Environmental and Social Liabilities (Bio-Physical and Social) at the Mineral Assets with specific focus on the primary regulatory documentation and compliance with the conditions of approval, including emissions and discharges in respect of both local and international standards. It is however important to note that this review did not constitute a detailed Environmental Audit, does not extend to provide a detailed opinion and development of any Equator Principles Action Plan capable of bringing the technical studies into compliance with the Equator Principles, nor indicate when compliance is not possible as typically required for a Project Finance facility: for all Category A and, as appropriate, Category B Projects.

Responsible sourcing regulations are an increasing focal point for stakeholders in the international mining and metals sector and in addition to national legislation, there are also a number of regulations and guidance that specifically cover the responsible souring of gold. For example, the "**Dodd-Frank**" legislation in the United States (Section 1502) and the "**EU Conflict Free Minerals**" regulations require due diligence within the supply chain in order to ensure that mining and production of gold does not fund conflict. One of the most widely recognised is the "**OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas**". The guidance was operationalised by the World Gold Council for the mining sector, the London Bullion Market Association for the refining sector and the Responsible Jewellery Council for this sector.

With respect to "**Mine Closure"** related liabilities key international standards include those which are focused on a combination of technological and engineering solutions which reflect Good International Industry Practice ("**GIIP**") and "**Best Available Technology**" to where practicable achieve "**Ground Zero**" or "**Walk Away**" remediation status. Guiding standards which reinforce these objectives include: the International Council on Mining and Minerals ("**ICMM**") Planning for Integrated Mine Closure: Toolkit (2008); World Bank in Mining and Development, It's Not Over When It's Over: Mine Closure Around the World (2002); European Commission's Reference Document on *"Best Available Techniques for Management of Tailings and Waste-Rock in Mining Activities"* published in 2009; *"IFC EHS Guidelines on Construction and Decommissioning"* published in 2007; and *"Mining for Closure: Policies and Guidelines for Sustainable Mining Practice and Closure of Mines"* published by United Nations Environment Programme ("**UNEP**"), United Nations Development Programme ("**UNDP**"), Organization for Security and Co-operation in Europe ("**OSCE**") and the North Atlantic Treaty Organization ("**NATO**") in 2005.

Mineral Asset Valuation

Whilst this CPR does not include a Valuation of the Ore Reserves, the Financial Modelling information as included herein is incorporated in accordance with the general disclosure principles and process as defined by the *"Australasian Code for Public Reporting of Technical*

Assessments and Valuations of Mineral Assets (2015 Edition)", hereinafter the "**Valmin Code**".

Cash Cost Reporting

The determination of cash costs in the metals and mining sector varies both within and between commodity focus companies. Furthermore, it would appear that with respect to reporting standards, that defined by the World Gold Council ("**WGC**") and published (2018) ("**WGC 2018**") in its guidance noted on "*all-in sustaining costs*" and *"all-in costs*" metrics would appear to be the most comprehensive. This was an advance from the cash cost reporting methodology introduced in 1996 which focused solely on the mining and processing costs incurred. In contrast WGC 2018 focuses on costs incurred in the complete mining life cycle from exploration to closure. In this instance SRK notes the following industry standard definitions:

- Cash Costs reported per ounce gold sold and reported on a by-product basis, where expenditures are determined net of silver sales where relevant. Cash costs are defined as:
  - Adjusted Operating Costs ("**AOC**") comprising on-site mining costs, on-site general and administrative costs, royalties and production taxes, realised gains/losses on hedges due to operating costs, community costs related to current operations, refining and transport costs, non-cash remuneration (site-based), stockpile/leach pad and product inventory write down, operational waste stripping costs and by-product credits;
  - All In Sustaining Costs ("**AISC**") comprising corporate general & administration costs (including share-based remuneration), reclamation and remediation accretion and amortisation (operating sites), exploration and study costs (sustaining), capital exploration (sustaining), capitalised stripping & underground mine development (sustaining), sustaining capital expenditure and sustaining leases;
  - All-in Costs ("**AIC**") comprising growth and development costs not related to current operations, community costs not related to current operations, permitting costs not related to current operations, reclamation and remediation costs not related to current operations, exploration and study costs (non-sustaining), capital exploration (non-sustaining), capitalised stripping & underground mine development (non-sustaining), non-sustaining capital expenditure and non-sustaining leases.

  In respect of the above items it is important to note that the following expenditures are typically not included in the WGC guidance: corporate income tax; working capital (except for adjustments to inventory on a sales basis); all financing charges (including capitalised interest); costs related to business combinations, asset acquisitions and asset disposals; items needed to normalise earnings, for example impairments on non-current assets, one-time material severance charges or legal costs or settlements or legal costs or settlements related to significant lawsuits.

The Group's current financial reporting of historical and forecast AISC does not incorporate either contributions to the current closure cost funds nor the projected closure costs associated with the various LoMps. Furthermore, the various Mining Conventions relating to each of the exploitation licences stipulate a requirement for annual contributions to a defined closure fund. The Group's corporate Financial Model does not expressly model the future contributions to the closure cost funds nor incorporate the related expenditures into its AISC reporting as stipulated by the current WGC guidelines. Accordingly, in order to maintain parity with the historical reporting process, the Company has requested SRK to expressly exclude the closure costs from the AISC determination. SRK understands that as part of the next planning cycle the Group will review the approach to modelling of closure fund contributions (historical and forecast) and LoMp closure costs in its corporate financial model and amend these as deemed appropriate.

In addition to the above there are also various other standards considered comprising:

- Cash costs which includes costs of goods sold ("**COGS**": including labour, energy, consumables) + royalties (net of by-product credits);
- Total cash costs inclusive of cash costs, sustaining capital, exploration expenses and off-site costs; and
- Total costs which includes total cash costs, depreciation and interests, taxes and non-sustaining capital expenditure.

In the wider mining and metals space, an alternative consideration is that reflected in the C1, C2 and C3 cash cost system which partially mirrors the AOC, AISC, and AIC respectively with the exception of C3 which typically includes corporate income taxes and working capital movement.

Furthermore, SRK notes that the majority of cash cost reporting in the gold sector focus on application of the above to determine historical reporting statistics derived from historical financial statements. In this CPR, SRK has largely adopted that recommended by the WGC in 2018 with some simplification where inventory movements are excluded from the historical and forecast components. As such SRK highlights that whilst the historical and forecast statistics as reported herein are consistent, they may not be fully aligned with the format adopted by the Company's own interpretation as included in its public domain reporting declarations specifically where these may incorporate other accounting related adjustments.

1.2.3 Reliance

This CPR is addressed to and may be relied on by the Directors of the Company and the "**Advisors**" (Barclays Bank PLC, hereinafter "**Barclays**"), specifically in compliance with the Requirements, the Reporting Standard and as appropriate Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. Accordingly, SRK has confirmed in writing (the "**Consent letter**"), dated on the Publication Date which confirms:

- Reliance as regards the CPR for any benefit of the Company and its Advisors;
- Consent to the inclusion of the CPR, and to the inclusion of any extracts from the CPR in the Prospectus;
- Confirmation that all information contained in the Prospectus which is extracted from the CPR or based upon information contained in the CPR has been reviewed by SRK and that such information as presented is accurate, balanced, complete and not inconsistent with the CPR in accordance with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules; and
- Responsibility for the CPR and declares that it has taken all reasonable care to ensure that the information contained in the CPR is, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import.

SRK has no obligation or undertaking to advise any person of any development in relation to Mineral Assets which comes to its attention after the date of this CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of this CPR.

1.3 Effective Date, base Technical Information Date, Declarations and Copy right

The effective date of the CPR is 1 June 2021 (the "**Effective Date**"). The 2020 Statements, the LoMps, the TEPs, the Environmental and Social Liabilities, the Exploration Programme and Financial Modelling of the Mineral Asset reflect SRK's review and as necessary adjustment and modification of the Company's:

- Mineral Resource and Ore Reserves statements as noted in the 2020 Statements and reported by SRK in accordance with the terms and definitions of the JORC Code (2012);
- LoMp Scenarios with projected production from 1 January 2021 including all supporting technical studies completed during 2020 and Q1 2021;
- Detailed schedules of activities and expenditures relating to the derivation and support of the forecast TEPs as included in the LoMp Scenarios for the Producing Properties and the Development Properties including, production, sales, sales revenue, operating expenditure and capital expenditure;
- Financial Models for the Mineral Assets incorporating annual forecasts of the TEPs and resulting post-tax pre-finance cashflows;
- Mine closure costs for all historical, current and planned infrastructure relating to the Mineral Assets and inclusive retrenchment costs comprising the Environmental and Social Liabilities reported herein for each of the LoMp Scenarios;
- Supporting details for the Company's Exploration Programme including schedules of activities and expenditures to support the planned forecasts as reported herein; and
- Financial Modelling of the Mineral Assets to assess the technical and economic viability of the Ore Reserves.

The Base Technical Information Date is defined as 1 January 2021 which is co-incident with the reporting date for the 2020 Statements. The Publication Date of the CPR is assumed to be 9 June 2021. As advised by the Company, as at the Publication Date of the Prospectus no material change has occurred as of the Effective Date of the CPR inclusive of: the 2020 Statements; the LoMp and accompanying TEPs; the Environmental and Social Liabilities; the Exploration Programme; and the Financial Modelling of the Mineral Assets.

1.4 Verification, Validation and Reliance

This CPR is dependent upon technical, financial and legal input from the Company. SRK has conducted a review and assessment of all material technical issues likely to influence: the 2020 Statements; the LoMp and accompanying TEPs; the Environmental and Social Liabilities; the Exploration Programme; and the Financial Modelling of the Mineral Assets. The review comprised:

- A review of the quantitative and qualitative analysis undertaken by the Company to date which inter alia includes:
  - the Mineral Resource and ore Reserve statements reported in the 2020 Statements all geological and mining models established in support of the 2020 Statements,
  - the LoMps inclusive of mine designs, production and equipment schedules, mine cost modelling and financial modelling outputs as they relate to the Company's various LoMp Scenarios comprising the Ore Reserve scenario,
  - the Company's determination of the operating and capital expenditures accompanying the LoMp Scenarios,
  - the Company's determination of environmental and social liabilities for all of the LoMp Scenarios,
  - the Company's financial models which incorporates the above and provides detailed analysis of post-tax pre-finance cashflows for Producing Properties and the Advanced Development Properties;
- Desk-top due-diligence review of all technical discipline areas which informed the LoMp scenarios including:

  - review of all relevant supporting technical documentation authored by the Company and independent third parties and made available during its investigations,
  - discussion and enquiry with the Company's technical representatives and where appropriate third-party technical consultants appointed by the Group,
  - review of stand-alone technical reports completed by the Company and independent third parties,
  - review of the primary regulatory documentation and associated conditions of approval as included in the Environmental and Social Impact Assessments ("**ESIAs**"), Environmental Management Plans ("**EMPs**") for the Producing Properties and the Development Properties,
  - review of historical audit reports in respect of Environmental and Social aspects as well as the Tailings Storage Facilities ("**TSF**"),
  - review of historical TEPs reported on an annual basis from 2015 through 2020 inclusive,
  - review of the key product offtake agreements and assumptions made by the Company in respect of the product sales projections,
  - identification and where necessary modification of the TEPs reflected in the LoMps and the Company's own financial models to reflect the outcomes of the due diligence process, collectively referred to as the "**SRK Adjustments**";
- An assessment of historical and consensus market forecast commodity price assumptions in order to benchmark the Company's assumptions as relied on for reporting of Mineral Resources and Ore Reserves and as incorporated into the Company's financial models;
- Development of stand-alone and group level financial models (the "**Financial Models**") for the operating mines which incorporate multi-scenario analysis to assess and evaluate the economic impact of the LoMp Scenarios;
- Historical site visits undertaken to a selection of the Group's Mineral Assets from 2018 through 2021, specifically in respect of Houndé Gold Mine, Ity Gold Mine, Karma Gold Mine and the Fetekro Development Property. During Q2 2021 it was intended to undertake detailed verification site visits to all of the Mineral Assets as reported herein, however due to the recent COVID-19 restrictions, these have been deferred and will now be undertaken during H2 2021. Notwithstanding this limitation, SRK considers that it has undertaken sufficient due diligence and subsequent analysis to confirm the validity of the Mineral Resources and Ore Reserves as reported herein and all supporting technical disclosures relating to the Mineral Assets and specifically the Life-of-Mine plans, the Financial Modelling and the Environmental and Social Liabilities as reported herein; and
- Remote meetings with the Company's technical and managerial representatives of the Company.

SRK confirms that it has performed all necessary validation and verification procedures deemed necessary and/or appropriate to place a suitable level of reliance on such technical information. SRK considers that with respect to all material technical-economic matters, it has undertaken all necessary investigations to ensure compliance with the Requirements including the Reporting Standards (specifically the JORC Code and the Valmin Code).

In consideration of all legal aspects relating to the Mineral Assets, SRK has placed reliance on the representations by the Company that the following are correct as at the Effective Date of the CPR and remain correct until the date of the Public Document:

- That save as disclosed in the CPR, the Directors of the Company are not aware of any legal proceedings that may have an influence on the rights to explore for minerals in respect of

the Mineral Assets;

- That the Group is the legal owner of all relevant mineral and surface rights as reported in the CPR; and
- That save as expressly mentioned in the CPR, no significant legal issue exists which would affect the likely viability of the Mineral Assets and/or the estimation and classification of the Mineral Resources and Ore Reserves, the LoMps, the Environmental and Social Liabilities, the Exploration Programme and the Financial Modelling of the Mineral Assets.

The Mineral Resource and Ore Reserve statements as included in the 2020 Statements are reported with a date of depletion of 31 December 2020. For the avoidance of doubt, the 2020 Statements are the "current statements" and any historical statements as reported herein are done so solely for comparative purposes to provide context with respect to any significant changes and to support the reconciliation process between reporting periods.

1.5 Limitations, Responsibility Statement, Reliance on Information, Declarations and Copyright

1.5.1 Limitations

Save as set out in Section 1.2.3 above and for the responsibility arising under Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules to any person and to the extent there provided, to the fullest extent permitted by law, SRK does not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this CPR or statements contained therein, required by and given solely for the purpose of complying with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules, consenting to its inclusion in the Prospectus.

SRK notes that this CPR has been prepared in accordance with the Requirements as defined herein. For the avoidance of doubt SRK notes that the contents of this CPR including the technical opinion as expressed herein must be read in association with the Limitations, Reliance on Information, Declarations and Consent as reported herein.

The achievability of the projections as reported in this CPR, are neither warranted nor guaranteed by SRK, specifically the: TEPs including assumed production, sales volumes, sales revenue, operating and capital expenditure relating to depletion of the Ore Reserves from 1 January 2021; the Environmental and Social Liabilities; the Exploration Programme; and the Financial Modelling of the Mineral Assets. The projections as presented and discussed herein have been proposed by the Company's management and adjusted where appropriate by SRK to reflect its opinion but cannot be assured. Notably, for example, they are necessarily based on economic and market assumptions, many of which are beyond the control of the Company.

Future cashflows and profits derived from any projections reflected by the TEPs in the LoMps, the Environmental and Social Liabilities or the Exploration Programme are inherently uncertain and actual results may be significantly more or less favourable.

Unless otherwise expressly stated all the opinions and conclusions expressed in this report are those of SRK. It should also be noted that this report reflects SRK's review of information generated, and/or technical work completed, by others. As a result of this, the projections presented here may not directly reflect that previously presented by the Company or in public announcements made by the Company as they also incorporate judgements made by SRK not necessarily incorporated into the Company's assessments.

This CPR specifically excludes all aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/or contracts that the Company may have entered into.

1.5.2 Responsibility Statement

For the purpose of, and in compliance with, the Requirements, SRK accepts responsibility for the information provided in the CPR and for all information in the Prospectus which is extracted or sourced from the CPR. SRK declares that the information contained in the CPR and the Prospectus is, to the best of the knowledge of SRK, in accordance with the facts and makes no omission likely to affect its import. SRK has given and has not withdrawn its written consent to the publication of the CPR.

SRK accepts responsibility for the 2020 Statements, the LoMp Scenarios and associated TEPs, the 2020 Environmental and Social Liabilities, the Financial Modelling of the Mineral Asset as reported herein. Where applicable, SRK confirms that:

- the 2020 Statements are reported in accordance with the terms and definitions of the JORC Code (2012);
- the various technical studies supporting the Production Scenarios have been completed in accordance with the Technical Study standards as defined in Section 1.2.2. of this CPR;
- that the Environmental and Social Liabilities are derived and reported in accordance with GIIP; and
- the Financial Modelling for the Mineral Assets of the Company as reported herein are reported in accordance with the Valmin Code (2015).

The scope of the CPR is limited to the Mineral Assets of the Company as reported herein.

1.5.3 Reliance on Information

SRK believes that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK's opinions given in this document with respect to the 2020 Statements, the LoMps and accompanying TEPs, the Environmental and Social Liabilities, the Exploration Programme and the Financial Modelling are effective at 1 June 2021 and are based on information provided by the Company throughout the course of SRK's investigations, which in turn reflects various technical-economic conditions prevailing at the date of this report and the Company's expectations regarding the gold market, gold prices and exchange rates as at the date of this report. These and the underlying TEPs, comprising projections of production, sales, sales revenue, operating and capital expenditures can change significantly over relatively short periods of time. Should these change materially, the 2020 Statements, the LoMp Scenarios and accompanying TEPs, the Environmental and Social Liabilities, the Exploration Programme and the Financial Modelling of the Mineral Assets could be materially different in these changed circumstances.

Whilst SRK has exercised all due care in reviewing the supplied information, SRK does not accept responsibility for finding any errors or omissions contained therein and disclaims liability for any consequences of such errors or omissions.

This CPR includes technical information, which requires subsequent calculations to derive subtotals, totals and weighted averages. Such calculations may involve a degree of rounding and consequently introduce an error. Where such errors occur, SRK does not consider them to be material.

1.5.4 Declarations

SRK will receive a fee for the preparation of this CPR in accordance with normal professional consulting practice. This fee is not contingent on the outcome of any transaction and SRK will receive no other benefit for the preparation of this report. SRK does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to 2020 Statements, the principal findings regarding the LoMp Scenarios, the accompanying Financial Models, the Environmental and Social Liabilities and the Financial Modelling of the Mineral Assets as reported herein.

Neither SRK, the Competent Persons (as identified under Section 1.7, below) who are responsible for authoring this CPR, nor any Directors of SRK have at the date of this report, nor have had within the previous two years, any shareholding in the Group, the Mineral Assets or the Advisors of the Group, or any other economic or beneficial interest (present or contingent) in any of the assets being reported on. SRK is not a group, holding or associated company of the Group. None of SRK's partners or officers are officers or proposed officers of any group, holding or associated company of the Group. Further, no Competent Person involved in the preparation of this CPR is an officer, employee or proposed officer of the Group or any group, holding or associated company of the Group. Consequently, SRK, the Competent Persons and the Directors of SRK consider themselves to be independent of the Group, its directors, senior management and Advisors.

1.5.5 Consent

SRK has given and has not withdrawn its written consent to the publication of this CPR and has authorised the contents of its report and context in which they are respectively included and has authorised the contents of its report for the purposes of compliance with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules.

1.5.6 Copyright

Except where SRK has agreed otherwise (including pursuant to an agreement between SRK and the Company dated 5 January 2021 or any subsequent agreement (each, the "**Endeavour Agreement**")):

- neither the whole nor any part of this report nor any reference thereto may be included by any party other than the Company, any of its direct and indirect subsidiaries or a competent state authority in the United Kingdom of Great Britain and Northern Ireland or any other relevant jurisdiction, as may be applicable (together, the "**Recipients**"), in any other document without the prior written consent of SRK save that in the case that the report is not included in full in any other document, the Recipient shall present a draft of any document produced by it that may incorporate a part of this report to SRK for review so that SRK may ensure that this is presented in a manner which accurately and reasonably reflects any results or conclusions contained in this report; and
- copyright of all text and other matters in this document, including the manner of presentation, is the exclusive property of SRK. It is an offence to publish this document or any part of the document under a different cover, or to reproduce and/or use, without written consent (whether granted by virtue of an Endeavour Agreement or otherwise), any technical procedure and/or technique contained in this document. The intellectual property reflected in the contents resides with SRK and shall not be used for any activity that does not involve SRK, without the written consent of SRK.

Neither the whole nor any part of this report nor any reference thereto may be included in any other document without the prior written consent of SRK regarding the form and context in

which it appears.

1.6 Indemnities Provided by the Company

The Company has provided the following indemnities to SRK:

- The Company has agreed that, to the extent permitted by law, it will indemnify SRK and its employees and officers in respect of any liability suffered or incurred as a result of or in connection with the preparation of this report albeit that this indemnity will not apply in respect of any material negligence, wilful misconduct or breach of law. The Company has also agreed to indemnify SRK and its employees and officers for time incurred and any costs in relation to any inquiry or proceeding initiated by any person except to the extent SRK or its employees and officers have been materially negligent or acted with wilful misconduct or in breach of law in which case SRK shall bear such costs; and
- In order to assist SRK in the preparation of this CPR the Company may be required to receive and process information or documents containing personal information in relation to SRK's project personnel. The Company has agreed to comply strictly with the provisions of the Data Protection Act 1998 of the United Kingdom ("**DPA 1998**") and all regulations and statutory instruments arising from the DPA 1998, and the Company will indemnify and keep indemnified SRK in respect of all and any claims and costs caused by breaches of the DPA 1998.

1.7 Qualifications of Consultants and Competent Persons'

SRK is an associate company of the international group holding company SRK Consulting (Global) Limited (the "**SRK Group**"). The SRK Group comprises some 1,400 professional staff offering expertise in a wide range of resource and engineering disciplines with 45 offices located in 20 countries.

The SRK Group's independence is ensured by the fact that it holds no equity in any project. This permits the SRK Group to provide its clients with conflict-free and objective recommendations on crucial judgment issues. The SRK Group has a demonstrated track record in undertaking independent assessments of resources and reserves, project evaluations and audits, Mineral Resource and Ore Reserve audits and independent feasibility studies on behalf of exploration and mining companies and financial institutions worldwide. The SRK Group has also worked with a large number of major international mining companies and their projects, providing mining industry consultancy service inputs.

This CPR has been prepared by a team of 17 consultants sourced from the SRK Group's office in the United Kingdom and South Africa over a three-month period. These consultants are specialists in the fields of exploration, geology, Mineral Resource and Ore Reserve estimation and reporting, underground mining, mine ventilation, mining geotechnics, water management (hydrogeology/hydrology), mineral processing, tailings engineering, environmental and social, financial modelling and mineral asset valuation. The individuals listed in Table 1-6 have provided the material input to this CPR, have extensive experience in the mining industry and are members in good standing of appropriate professional institutions.

The Competent Person who has responsibility for the CPR and the Ore Reserves as reported herein is Dr Iestyn Humphreys, FIMMM, AIME, PhD who is a Corporate Consultant, and Practice Leader with SRK. He is a Fellow of the IMMM which is a Recognised Professional Organisation ("**RPO**") included in a list promulgated by the Australian Securities Exchange ("**ASX**") from time to time. Iestyn Humphreys has 31 years' experience in the mining and metals industry and also has been involved in the preparation of Competent Persons' Reports comprising technical evaluations of various mineral assets internationally during the past five

years which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

The Competent Person who has overall responsibility for the Mineral Resources as reported herein is Dr Timothy Lucks, MAusIMM (CP), PhD. He is a Chartered Geologist and a full-time employee of SRK, a principal consultant and has over 18 years' experience in the mining and metals industry and also has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Timothy Lucks has been responsible for the reporting of Mineral Resources on various properties internationally during the past five years which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

The Competent Person who has joint responsibility for the Mineral Resources as reported herein is Dr Lucy Roberts, MAusIMM (CP), PhD. She is a Chartered Geologist and a full time employee of SRK, a principal consultant and has over 22 years' experience in the mining and metals industry and also has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code. Lucy Roberts has been responsible for the reporting of Mineral Resources on various properties internationally during the past five years which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code.

Table 1-6: Team members

Responsible Discipline	Consultant	Designation	Registration, Membership, Qualification	Years' Experience
Geology/Mineral Resources	Dr Timothy Lucks	Principal	MAusIMM, CP, MIMMM, SEG, PhD	18
	Lucy Roberts	Principal	MAusIMM, CP, PhD	22
	James Haythornthwaite	Senior	CGeol, FGS, MSc	12
	Dr Kirsty Reynolds	Consultant	GSL, PhD	10
	Dr James Davey	Consultant	GSL, SEG, PhD	7
Mining & Ore Reserves	Dr Iestyn Humphreys	Corporate	FIMMM, AIME, PhD	31
	Francois Taljaard	Senior	Pr. Eng., ECSA, MSAIMM	11
	Jacobus Francois Van Graan	Principal	Pr.Eng., ECSA, MSAIMM, BEng	24
	Yerko Martinez	Senior	MSc	10
Geotechnical Engineering	Max Brown	Principal	C.Eng., MIMMM, MSc	23
Water Management	James Bellin	Principal	CGeol, FGS, MSc	17
Metallurgy	Dr John Willis	Principal	MAusIMM, CP, MAIME, PhD	36
Tailings	Richard Martindale	Principal	C.Eng., FGS, MIMMM, MSc	20
Environmental and Social	Jane Joughin	Corporate	Pr.Sci.Nat, CEnv., MIEMA, MIAIA, MSc	35
	Emily Harris	Principal	CEnv, MIEMA, MSc	35
	Sue Reuthers	Consultant	EAP, MIAIA, MPhil	20
Mine Closure	Jamie Spiers	Senior	MSc	17
Human Resources	Dr Iestyn Humphreys	Corporate	FIMMM, AIME, PhD	31
Financial Modelling	Dr Iestyn Humphreys	Corporate	FIMMM, AIME, PhD	31

1.8 Report Format

The CPR is structured on a Mineral Asset basis whether the technical details for the Mineral Assets are included in the following specific stand-alone sections for the individual development status groupings:

- **Producing Properties:** Section 4 Boungou Gold Mine; Section 5 Houndé Gold Mine; Section 6 Ity Gold Mine; Section 7 Karma Gold Mine; Section 8 Mana Gold Mine; Section 9 Sabodala-Massawa Gold Mine; Section 10 Wahgnion Gold Mine;
- **Development Properties:** Section 11 Fetekro Development Property; and Section 12 Kalana Development Property;
- **Advanced Exploration Properties:** Section 13.2 Golden Hill; Section 13.3 Bantou; and

Section 13.4 Nabanga; and

- **Exploration Properties:** Section14.

In addition to the above, the CPR also includes specific stand-alone sections as follows: Section 1 Introduction; Section 2 Commodity Prices And Macro-Economics; Section 3 Endeavour Mining Plc; Section 15 Financial Modelling; and Section 16 Concluding Remarks.

2 COMMODITY PRICES AND MACRO-ECONOMICS

2.1 Introduction

The following section includes discussion and comment on the commodity price and macro-economic parameters as relied on for the purpose of supporting the technical and economic assessment of the Ore Reserves as reported herein. Specifically, the forecast commodity prices, and the macro-economic assumptions have been sourced and compiled from various consensus market forecasts and polls and as such have neither been validated nor verified by SRK. Certain of the data reported herein, specifically the commodity market summary analysis as reported is derived from various public domain sources included, inter alia, Consensus Economics, SP Global and the WGC which are acknowledged accordingly. Furthermore, where practically possible the forecasts as adopted for supporting the projections herein are also compared with that currently assumed by the Company in its annual and short-term budgeting process.

The above forecasts are not directly supported by detailed analysis undertaken by recognised commodity market specialists which typically undertake, short, medium- and long -term demand-supply-price analysis to support their determinations.

2.2 Commodity Price and Macro-Economic Summary

The forecast commodity prices, and macro-economic assumptions as reported herein are compiled from consensus market forecasts ("**CMF**") and where available compared with that assumed by the Company in its annual budgeting process. Where possible historical data has been collated and compiled through to 31 March 2021 and the latest CMF for commodity prices is derived based on that sourced in Q1 2021. With respect to historical macro-economic data, exchange rates have been collated through to 31 March 2021 and consumer price inflation ("**CPI**") to the latest available month end data in 2021 (typically February) and projected through to 31 March 2031.

Table 2-1 provides a comparative assessment of the various gold price forecasts against the CMF sourced in Q1 2021 which projects a long-term price ("**LTP**") of US$1,430/oz. This is compared directly with that assumed by the Group in reporting its Ore Reserves of US$1,300/oz and a three year daily average gold price of US$1,557/oz. Table 2-2 presents the forecast consumer price inflation statistics (period average) for the countries within which the Group operates and within which the Mineral Assets are located. It should however be noted that the assumptions for the majority of the countries (excepting Canada, United States and the United Kingdom) the forecasts reflect the historical year-on-year 12-month actuals through to 31 March 2021. Table 2-3 provides a comparison of the historical average exchange rates for 2020, the closing exchange rate as at 31 March 2021 and that assumed by the Group in its annual budget and short-term planning process.

Table 2-1: Gold Price forecast assumptions (2021 through 2030)

Statistic	Units	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Company-2P[(1)]	(US$/oz)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Company-Fcst[(2)]	(US$/oz)	1,500	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
CMF	(US$/oz)	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430	1,430
S&P Global-Poll	(US$/oz)	1,814	1,778	1,695	1,569	1,540	1,565	1,480	1,472	1,527	1,374
Analyst-Poll[(3)]	(US$/oz)	1,900	1,841	1,695	1,569	1,500	1,500	1,500	1,500	1,500	1,500
3 Year Average (daily)	(US$/oz)	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557

(1) The gold price assumed for reporting Ore Reserves for the majority of the Mineral Assets.

(2) The gold price assumed in the Company's short-term budgets.

(3) based on available two-year forecast and S&P through to 2024 and assumed US$1,500/oz from 2025 onwards.

Table 2-2: Consumer Price Inflation forecast assumptions (2021 through 2025)

Consumer Price Inflation	Units	2021	2022	2023	2024	2025
Burkina Faso	(%)	2.39	2.39	2.39	2.39	2.39
Côte d'Ivoire	(%)	2.29	2.29	2.29	2.29	2.29
Guinea	(%)	10.58	10.58	10.58	10.58	10.58

Consumer Price Inflation	Units	2021	2022	2023	2024	2025
Mali	(%)	0.70	0.70	0.70	0.70	0.70
Niger	(%)	6.30	6.30	6.30	6.30	6.30
Senegal	(%)	2.43	2.43	2.43	2.43	2.43
Canada	(%)	1.50	1.70	1.95	1.95	1.95
United States	(%)	2.76	2.10	2.11	2.17	2.22
United Kingdom	(%)	1.50	1.77	2.00	2.00	2.00

Table 2-3: Exchange rate assumptions

Exchange Rates	Units	31/12/2020	31/03/2021	Group Budget
CFA Franc BCEAO (XOF)	(LCU:US$)	572	542	555
Guinean Franc (GNF)	(LCU:US$)	9,990	9,957	n/a
Canadian Dollar (C$)	(LCU:US$)	1.34	1.27	1.30
Pound Sterling (GBP)	(US$:LCU)	1.28	1.38	1.25

2.3 Gold Market

The following section provides a summary of the global gold market and supporting historical information in respect of the gold price assumptions assumed herein and is largely sourced from public domain data and various data service providers.

2.3.1 Demand-Supply

Gold demand reflects the combined impact of four main sectors comprising:

- **Jewellery Sector** representing the largest source of annual demand which has largely declined over recent decades but still (2020) accounts for 46% of total demand. India and China are by far the largest markets, in volume terms, together accounting for over 50% of current global gold demand. The Asian and Middle Eastern markets are dominated by demand for purer, high-cartage gold;
- **Investment Sector** represents less than one percent of investment portfolios, however this is changing and over the past three decades the volume of gold acquired by investors has increased by approximately 200% during this period. For 2020 the retail investment sector represented 32% of total demand;
- **Central Bank Sector** over the past decade has seen a fundamental shift in central bank's behaviour with respect to gold, prompted by reappraisal of its role and relevance after the 2008 financial crisis. Emerging market central banks have increased their official gold purchasing, while European banks have ceased selling, and the sector now represents a significant source of annual demand for gold which in 2020 reported 9.9%; and
- **Technology Sector** has a long-established role in innovations in electronics and the advent of 'nanotechnology' is driving new uses in medicine, engineering and environmental management. This aside technological applications uses low volumes of gold and for 2020 reports a total of 12% of total demand.

Mine production accounts for the largest portion of gold supply and for 2020 reported approximately 71%, however as annual demand typically exceeds supply and shortfall is typically accounted for through recycling of scrap. Since 2010 gold mine production has increased by approximately 20% to the 3,300tAu produced in 2020. Furthermore, as gold is largely indestructible, the majority of gold ever mined is theoretically still accessible in one form or another and potentially available for recycling. As at end 2020 total global gold production is estimated at approximately 200,000t with two thirds of this mined since 1950 and 28% since 2000. This quantum represents a relatively small cube measuring 22m on each side and comprising jewellery (47%), private investment (22%), official holdings (17%) and other (14%). The gold mine cycle is informed by an extensive and complex process from exploration and discovery through development to operation decommissioning and post-closure with the exploration through to development phase typically ranging from ten to twenty years on average. Since the turn of the last century annual gold supply has increased significantly from less than 500tAu (1900) through to 1,250tAu by 1980 and from 2010 onwards has largely

remained range bound from 4,400tAu to 4,600tAu.

Recycling is the source of gold supply that is most immediately responsive to the gold price and economic shocks. The majority of recycled gold (approximately 90%) comes from jewellery, with gold extracted from technology providing the remaining 10%. For 2020 recycling accounted for 28% of total supply.

Table 2-4 presents the gold sector market analysis for 2010 through 2020 with specific focus on supply, demand and market analysis details and the corresponding gold price statistics. Table 2-5 presents historical geographical mine production from 2010 through 2020 which indicates Asia as the primary gold producer which for 2020 reported approximately 25% with Latin America and Africa contributing approximately 19% each. The number of active projects (Table 2-6) in 2019 totalled 1,678 with combined 'reserve and resource' inventories of 3,600MozAu and representing some 34 years of production at 2020 reported rates. The active producing mines (821) in 2019 account for approximately 109Moz of gold production with the top ten producing mines accounting for 12.2% of total mined production (Table 2-7). Analysis of gold company producers (Table 2-8) indicates that the top ten produces account for 28% of total gold mine production.

Figure 2-1 provides a schematic representation of the gold market structure and flows based on 10-year averages from 2008 through 2017.

Figure 2-1: Gold market structure and flows (World Gold Council)

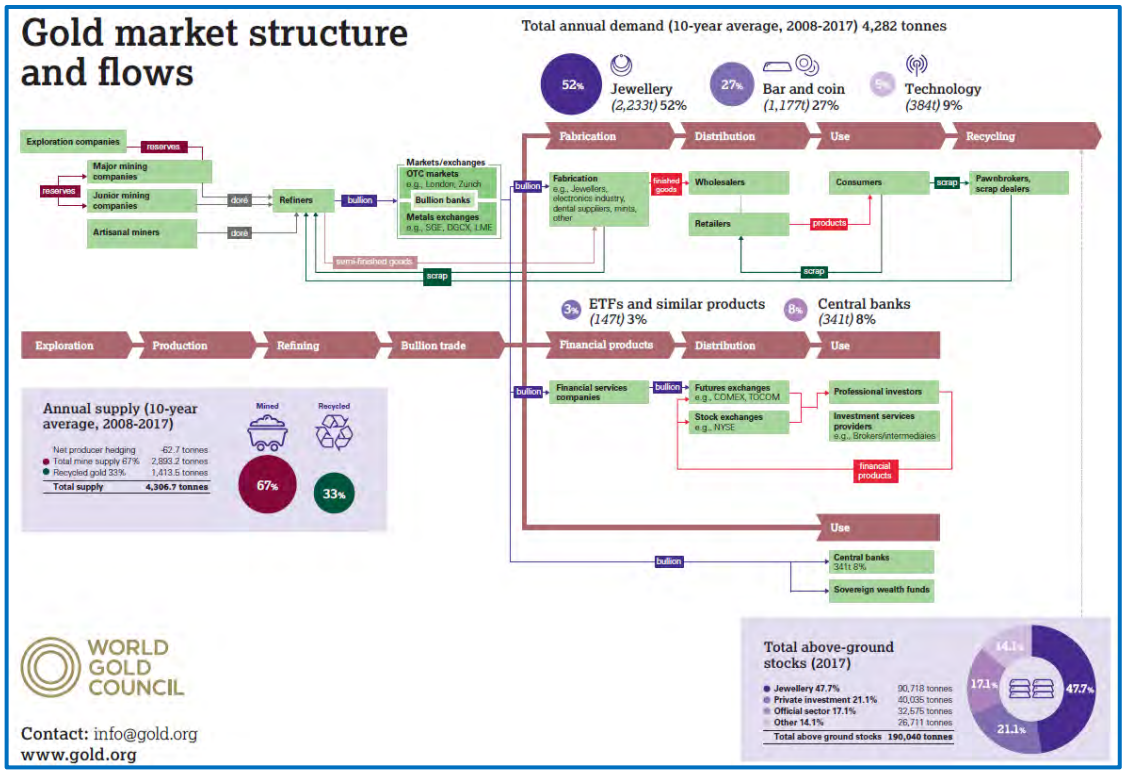


Table 2-4: Gold sector market analysis (2010 through 2020)

Statistics	Units	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Supply												
Mine Production	(tAu)	2,771	2,868	2,882	3,076	3,180	3,222	3,252	3,259	3,333	3,389	3,307
Scrap	(tAu)	1,743	1,698	1,700	1,303	1,159	1,180	1,303	1,207	1,187	1,243	1,289
Net Hedging Supply	(tAu)	(106)	18	(40)	(39)	108	21	32	(41)	8	(14)	36
Total	**(tAu)**	**4,407**	**4,584**	**4,543**	**4,340**	**4,446**	**4,422**	**4,587**	**4,425**	**4,528**	**4,618**	**4,632**
Demand												
Jewellery	(tAu)	2,096	2,109	2,075	2,737	2,569	2,474	1,962	2,222	2,142	1,924	1,279
Industrial Fabrication	(tAu)	480	470	432	428	411	376	366	379	392	377	339
Net Official Sector	(tAu)	77	457	544	409	466	443	276	366	589	585	276
Retail Investment	(tAu)	1,263	1,617	1,407	1,871	1,165	1,181	1,060	1,041	1,107	975	889
Total	**(tAu)**	**3,915**	**4,653**	**4,458**	**5,445**	**4,611**	**4,474**	**3,664**	**4,008**	**4,229**	**3,860**	**2,783**
Market Analysis												

Statistics	Units	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Physical Surplus/(Deficit)	(tAu)	492	(69)	85	(1,105)	(164)	(52)	923	417	299	758	1,850
ETF Inventory Build	(tAu)	418	194	284	(876)	(151)	(117)	599	134	88	405	955
Exchange Inventory Build	(tAu)	54	(6)	(10)	(98)	1	(48)	86	0	(21)	7	916
Net Balance	(tAu)	21	(256)	(190)	(131)	(14)	113	238	283	232	346	(22)
Gold Price												
Average	(US$/oz)	1,226	1,572	1,669	1,410	1,266	1,160	1,248	1,258	1,269	1,393	1,771
Min	(US$/oz)	1,063	1,311	1,538	1,190	1,141	1,051	1,060	1,151	1,174	1,270	1,470
Max	(US$/oz)	1,423	1,899	1,789	1,692	1,382	1,301	1,366	1,349	1,358	1,552	2,063

Table 2-5: Geographical mine productions (2010 through 2020)

Mine Production	Units	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Latin America	(MozAu)	18.5	19.5	19.7	21.4	21.7	22.5	22.2	21.6	21.5	21.4	19.7
Asia	(MozAu)	24.1	24.6	24.9	26.9	29.3	29.4	29.2	27.5	28.4	27.5	26.8
Africa	(MozAu)	16.9	18.4	18.2	18.4	18.7	18.5	19.1	19.7	19.1	20.8	20.1
North America	(MozAu)	10.7	11.0	10.9	11.7	11.6	12.2	12.5	13.2	14.2	14.5	14.0
East Europe	(MozAu)	6.7	6.8	7.1	7.7	8.3	8.4	8.4	9.5	9.9	10.5	10.6
Oceania	(MozAu)	11.2	10.8	10.3	11.1	11.1	11.2	11.7	11.8	12.7	13.6	13.2
West Europe	(MozAu)	1.0	1.2	1.5	1.7	1.5	1.4	1.4	1.4	1.4	0.7	1.9
Total	**(MozAu)**	**89.1**	**92.2**	**92.7**	**98.9**	**102.2**	**103.6**	**104.5**	**104.8**	**107.2**	**109.0**	**106.3**
	(tAu)	**2,771**	**2,868**	**2,882**	**3,076**	**3,180**	**3,222**	**3,252**	**3,259**	**3,333**	**3,389**	**3,307**

Table 2-6: Global mine projects (2019)

Rank	Country	Active Projects	2P&3R		Cumulative	
		(No)	(MozAu)	(%)	(MozAu)	(%)
1	Canada	466	703.5	19.3	703.5	19.3
2	South Africa	52	562.2	15.4	1,265.6	34.7
3	United States	223	503.7	13.8	1,769.3	48.6
4	Australia	394	502.6	13.8	2,271.9	62.3
5	Russia	121	397.1	10.9	2,669.0	73.2
6	Indonesia	46	228.0	6.3	2,897.0	79.5
7	China	30	223.9	6.1	3,120.9	85.6
8	Chile	188	218.0	6.0	3,338.9	91.6
9	Mexico	138	167.6	4.6	3,506.5	96.2
10	Papua New Guinea	20	137.4	3.8	3,643.9	100.0
Total		**1,678**	**3,643.9**	**100.0**	**3,643.9**	**100.0**

Table 2-7: Gold project production (2019)

Rank	Mining Operation	Production		Cumulative	
		(kozAu)	(%)	(kozAu)	(%)
1	Nevada Operations	2,967	2.7	2,967	2.7
2	Muruntau	2,829	2.6	5,796	5.3
3	Olimpiada	1,386	1.3	7,182	6.5
4	Pueblo Viejo	983	0.9	8,165	7.4
5	Kazzinc Consolidated	962	0.9	9,127	8.3
6	Lihir	881	0.8	10,008	9.1
7	Cadia East	871	0.8	10,879	9.9
8	Grasberg	863	0.8	11,742	10.7
9	Kibali	814	0.7	12,556	11.4
10	Loulo	715	0.7	13,271	12.1
11	Boddington	703	0.6	13,974	12.7
12	Canadian Malartic	663	0.6	14,637	13.3
13	Ahafo	643	0.6	15,280	13.9
14	Paracatu	620	0.6	15,900	14.5
15	Fosterville	619	0.6	16,519	15.0
16	Geita	604	0.5	17,123	15.6
17	Detour Lake	602	0.5	17,725	16.1
18	Kumtor	600	0.5	18,325	16.7
19	Porgera	597	0.5	18,922	17.2
20	Veladero	548	0.5	19,470	17.7
21	Kupol	527	0.5	19,997	18.2
22	Yanacocha	527	0.5	20,524	18.7
23	Merian	524	0.5	21,048	19.2
24	Tarkwa	519	0.5	21,568	19.6
25	Tropicana	514	0.5	22,081	20.1
26	Tanami	500	0.5	22,581	20.5
27	Cerro Negro	484	0.4	23,065	21.0
28	Herradura	483	0.4	23,548	21.4
29	Sukari	481	0.4	24,028	21.9
30	Ontario Division	480	0.4	24,508	22.3
791	Other	85,403	77.7	85,403	77.7
Global Production		**109,911**	**100.0**	**109,911**	**100.0**

Table 2-8: Gold company production (2019)

Rank	Company	Production		Cumulative	
		(kozAu)	(%)	(kozAu)	(%)
1	Newmont Corp.	6,817	6.2	6,817	6.2
2	Barrick Gold Corp.	5,575	5.1	12,392	11.3
3	AngloGold Ashanti Ltd.	3,387	3.1	15,778	14.4
4	Navoi Mining & Metallurgical	2,829	2.6	18,607	16.9
5	Public Joint Stock Co. Polyus	2,793	2.5	21,400	19.5
6	Kinross Gold Corp.	2,508	2.3	23,908	21.8
7	Newcrest Mining Ltd.	2,321	2.1	26,229	23.9
8	Gold Fields Ltd.	2,037	1.9	28,266	25.7
9	Agnico Eagle Mines Ltd.	1,779	1.6	30,045	27.3
10	Harmony Gold Mining Co. Ltd.	1,497	1.4	31,542	28.7
11	Zijin Mining Group Co. Ltd.	1,396	1.3	32,939	30.0
12	Polymetal International plc	1,356	1.2	34,295	31.2
13	Shandong Gold Mining Co. Ltd.	1,199	1.1	35,493	32.3
14	Northern Star Resources Ltd.	1,058	1.0	36,551	33.3
15	Glencore plc	1,055	1.0	37,606	34.2
16	Nord Gold UK Societas	1,008	0.9	38,615	35.1

Rank	Company	Production		Cumulative	
		(kozAu)	(%)	(kozAu)	(%)
17	Kirkland Lake Gold Ltd.	975	0.9	39,589	36.0
18	Zhongjin Gold Corp.	926	0.8	40,515	36.9
19	Fresnillo Plc	872	0.8	41,387	37.7
20	Yamana Gold Inc.	845	0.8	42,232	38.4
21	Sibanye Stillwater Ltd.	804	0.7	43,036	39.2
22	Vale S.A.	801	0.7	43,837	39.9
23	Centerra Gold Inc.	783	0.7	44,621	40.6
24	IAMGOLD Corp.	762	0.7	45,382	41.3
25	Freeport-McMoRan Inc.	735	0.7	46,118	42.0
26	China Natl Gold Grp Co. Ltd.	709	0.6	46,827	42.6
27	Evolution Mining Ltd.	680	0.6	47,507	43.2
28	Unnamed Owner	664	0.6	48,171	43.8
29	B2Gold Corp.	612	0.6	48,782	44.4
30	Detour Gold Corp.	602	0.5	49,384	44.9
460	Other	60,527	55.1	109,911	100.0
Global Production		**109,911**	**100.0**	**109,911**	**100.0**

2.3.2 Gold Price Analysis

The history of gold price evolution (Figure 2-2) can be categorised into two key phases comprising the classical fixed gold standard and that of the post Bretton-Woods gold-pegged exchange rate system.

The "**Gold Standard**" was a system under which nearly all countries fixed the value of their currencies in terms of a specified amount of gold or linked their currency to that of a country which did so. Domestic currencies were freely convertible into gold at the fixed price and there was no restriction on the import or export of gold. Gold coins circulated as domestic currency alongside coins of other metals and notes, with the composition varying by country. As each currency was fixed in terms of gold, exchange rates between participating currencies were also fixed. It was clear during the Second World War that a new international system would be needed to replace the Gold Standard after the war ended. The design for it was drawn up at the Bretton Woods Conference in the US in 1944. US political and economic dominance necessitated the dollar being at the centre of the system. After the chaos of the inter-war period there was a desire for stability, with fixed exchange rates seen as essential for trade, but also for more flexibility than the traditional Gold Standard had provided. The system drawn up fixed the dollar to gold at the existing parity of US$35/oz, while all other currencies had fixed, but adjustable, exchange rates to the dollar. Unlike the classical Gold Standard, capital controls were permitted to enable governments to stimulate their economies without suffering from financial market penalties. This system broke down in 1971 when the US unilaterally ended its gold standard, which set the convertibility of gold and the dollar to US$35/oz. Following this period, the phase the gold price was essentially free to move in accordance with market conditions and resulted in a peak value of US$850/oz by around 1980 and entered the post adjustment phase from 1984. For the following 20 years the nominal gold price remained relatively static prior to a significant increase to set a new record in 2011 of US$1,899/oz.

Figure 2-2: Historical daily and three-year daily average and forecast gold spot market prices (nominal and real 31 March 2021)

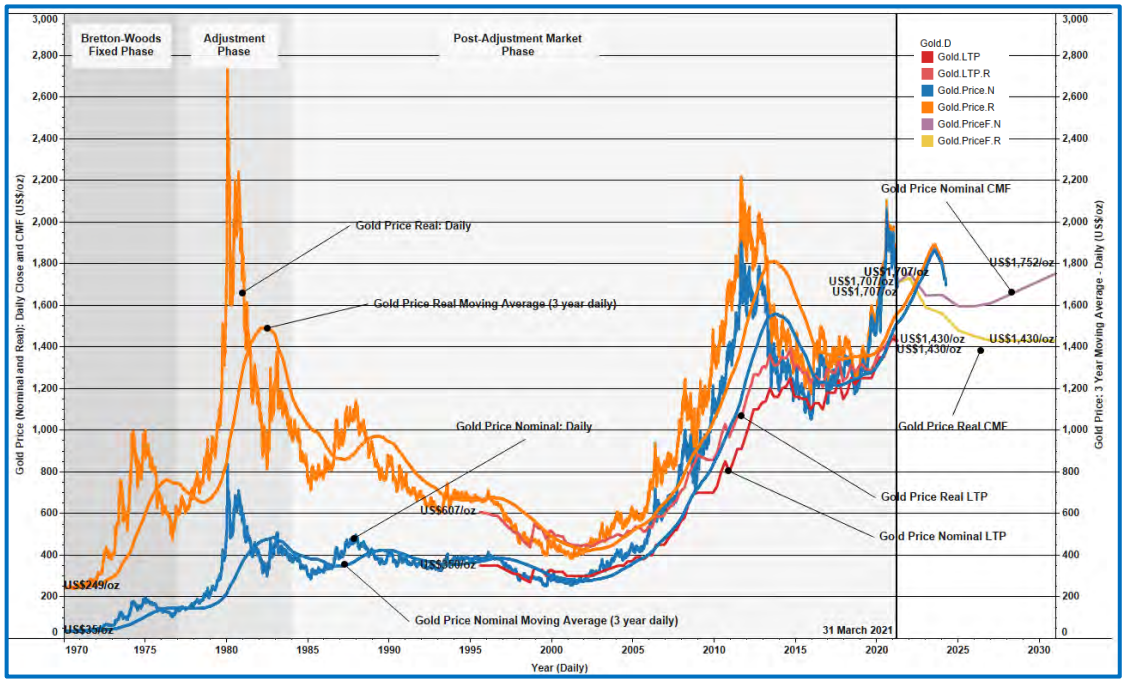


Table 2-9 presents the analysis of gold CMF analysis for annual periods from 2021 through 2026 and in addition the LTP assumptions in real terms (31 March 2021, assumed as 1 January 2021). The CMF LTP for gold derived from a pole of analysts in March 2021 indicates a median of US$1,430/oz based on 11 analysts with a range of US$983/oz to US$1,865/oz. Table 2-10 presents the historical gold price statistics on an annual basis from 2000 through 2020 and for the three-month period ended 31 March 2021. For the 12-month period ended 31 December 2020, the gold price ranged from a low of US$1,470/oz to a high of US$2,063/oz with an average of US$1,771/oz and a three-year moving daily average of US$1,423/oz. For the three-month period ended 31 March 2021, the gold price ranged from a low of US$1,681/oz to a high of US$1,949/oz with an average of US$1,796/oz and a three-year moving daily average of US$1,557/oz. As at 31 March 2019 (Table 2-11), short term analyst polls reported US$1,900/oz for 2021 and US$1,841/oz for 2022.

Table 2-9: Gold consensus market forecast analysis 2021 through 2026 and LTP

Statistics	Units	2021	2022	2023	2024	2025	2026	LTP
High	(US$/oz)	2,169	2,221	2,052	2,057	2,033	1,865	1,865
Median	**(US$/oz)**	**1,730**	**1,590**	**1,560**	**1,480**	**1,450**	**1,430**	**1,430**
Average	(US$/oz)	1,780	1,661	1,597	1,516	1,486	1,421	1,421
Low	(US$/oz)	1,587	1,400	1,373	1,257	1,222	983	983
STDEV	(US$/oz)	144	209	170	196	218	251	251
Analysts	(No)	25	23	23	21	18	11	11

Table 2-10: Historical gold price statistics for annual periods commencing 2000 through 2021 inclusive(1)

Period	Min	Max	Average	3YDMAV(2)	Nominal Close	Real Close	LTP Real(3)
2000	264	316	279	296	272	414	456
2001	255	293	271	281	279	417	449
2002	278	349	310	285	347	507	467
2003	323	416	364	306	415	595	499
2004	375	455	410	339	438	609	523
2005	412	528	445	382	517	695	538
2006	517	719	604	456	636	834	603
2007	607	839	697	539	833	1,049	713
2008	710	1,002	871	654	878	1,105	881
2009	810	1,215	973	787	1,096	1,342	869
2010	1,063	1,423	1,226	942	1,419	1,713	985
2011	1,311	1,899	1,572	1,160	1,564	1,833	1,160
2012	1,538	1,789	1,669	1,360	1,674	1,928	1,305
2013	1,190	1,692	1,410	1,469	1,205	1,367	1,331
2014	1,141	1,382	1,266	1,479	1,184	1,333	1,306
2015	1,051	1,301	1,160	1,376	1,061	1,186	1,241
2016	1,060	1,366	1,248	1,271	1,151	1,261	1,293
2017	1,151	1,349	1,258	1,233	1,302	1,397	1,244

Period	Min	Max	Average	3YDMAV[2]	Nominal Close	Real Close	LTP Real[3]
2018	1,174	1,358	1,269	1,234	1,283	1,350	1,316
2019	1,270	1,552	1,393	1,292	1,517	1,561	1,355
2020	1,470	2,063	1,771	1,423	1,896	1,925	1,459
2021[4]	**1,681**	**1,949**	**1,796**	**1,557**	**1,707**	**1,707**	**1,430**

(1) Real terms defined as 31 March 2020 money terms.

(2) Three year daily moving average.

(2) Historical Long-Term Price derived from median of Consensus Market Forecasts.

(4) Gold price reported at 31 March 2021.

Table 2-11 presents a comparison of the various gold price assumptions including: the assumed gold price for reporting Ore Reserves; the Group's short and medium term price forecasts used for its annual budgets; the CMF as defined herein; that included in the S&P Global Poll; the analyst short term poll (2021, 2022); and the three year daily average price to 31 March 2021.

Table 2-11: Gold price forecast assumptions (2021 through 2030)

Statistic	Units	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Group-2P[1]	(US$/oz)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Group-Fcst[2]	(US$/oz)	1,500	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
CMF	(US$/oz)	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430	1,430
S&P Global-Poll	(US$/oz)	1,814	1,778	1,695	1,569	1,540	1,565	1,480	1,472	1,527	1,374
Analyst-Poll[3]	(US$/oz)	1,900	1,841	1,695	1,569	1,500	1,500	1,500	1,500	1,500	1,500
3 Year Average (daily)	(US$/oz)	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557	1,557

(1) The gold price assumed for reporting Ore Reserves for the majority of the Mineral Assets.

(2) The gold price assumed in the Company's short-term budgets.

(3) Based on available two-year forecast and S&P through to 2024 and assumed US$1,500/oz from 2025 onwards.

A further comparator for the short and long-term price assumptions include that assumed by gold mining companies for various processes. Table 2-12 presents the results of recent gold price survey completed by PwC for assumptions used in impairment testing, Ore Reserves reporting and Mineral Resource reporting. Ore Reserve assumptions are typically referred to in the main as being a view of the LTP and in this instance the assumed gold prices range from a low of US$1,200/oz through to a high of US$1,700/oz with a reported average of US$1,383/oz. Table 2-13 presents a timeline of historical PWC analysis for ore Reserves and Mineral Resource assumptions compared against the reporting period average gold price, the LTP real (31 March 2021) assumptions and the three year daily moving average. In this regard what is relatively interesting is that the high values for both Ore Reserves and Mineral Resources when compared to the low values indicate a broad range of approximately 30%.

Table 2-14 presents the analysis of gold price assumptions used by specific peer group gold mining companies (top 10 gold producers) which represents approximately 30% of total gold Ore Reserves and Mineral Resources reported for 2019/2020. In this instance the assumptions for Ore Reserves range from a low of US$1,200/oz to a high of US$1,500/oz and for Mineral Resources from a low of US$1,200/oz to a high of US$1,600/oz.

Furthermore, recent analysis by S&P Global indicates a time-line analysis from 2012 through 2020 for assumed gold prices for Ore Reserves, Mineral Resources, Pre-Feasibility Study ("**PFS**") projects, Feasibility Study ("**FS**") projects and producing assets. In this instance the assumed premium for Mineral Resources over Ore Reserve gold price assumptions has ranged from 7% to 14% with 2020 reporting approximately 14% higher and in addition no substantive variation between assumptions reported for differing stages of development from PFS to producing properties. Analysis of assumptions (Table 2-16) by gold producer category (Senior gold producer – annual gold production greater than 1% of annual gold production (>1.0Moz); mid-tier gold producer with minimum annual gold production of 200koz; and junior gold producer with less than 200koz of annual gold production) indicates that there is generally limited variance between producer categories with the junior category for 2020 reporting a 6% variance when compared to senior producers and limited variance between senior and intermediate producers.

Table 2-12: Mining company gold price assumptions: Impairment Testing; Ore Reserves; and Mineral Resources[1]

Aspect	Range	Gold Price (US$/oz)			
Period		**2021**	**2022**	**2023**	**LTP**
Impairment Testing	Low	1,400	1,385	1,350	1,200
	Average	1,609	1,540	1,509	1,454
	High	1,900	1,800	1,700	1,700
Period		**2017**	**2018**	**2019**	**2020**
Ore Reserves	Low	1,100	975	1,200	1,200
	Average	1,226	1,173	1,291	1,383
	High	1,300	1,250	1,550	1,750
Period		**2017**	**2018**	**2019**	**2020**
Mineral Resources	Low	1,100	1,200	1,200	1,250
	Average	1,322	1,300	1,369	1,459
	High	1,500	1,500	1,550	1,750

(1) Gold and Copper Price Survey, PWC December 2020.

Table 2-13: Historical mining company gold price assumptions: impairment testing; Ore Reserves; and Mineral Resources[1]

Year	Gold Price	LTP Real	3YDMAV	Ore Reserves			Mineral Resources			3R Premium		
				Low	Average	High	Low	Average	High	Low	Average	High
	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(%)	(%)	(%)
2015	1,160	1,241	1,376	1,000	1,170	1,300	1,100	1,295	1,500	10.0	10.7	15.4
2016	1,248	1,293	1,271	1,100	1,212	1,260	1,125	1,285	1,400	2.3	6.0	11.1
2017	1,258	1,244	1,233	1,100	1,226	1,300	1,100	1,322	1,500	-	7.8	15.4
2018	1,269	1,316	1,234	975	1,173	1,250	1,200	1,300	1,500	23.1	10.8	20.0
2019	1,393	1,355	1,292	1,200	1,291	1,550	1,200	1,369	1,550	-	6.0	-
2020	**1,771**	**1,459**	**1,423**	**1,200**	**1,383**	**1,750**	**1,250**	**1,459**	**1,750**	**4.2**	**5.5**	**-**

(1) Gold and Copper Price Survey, PWC December 2020.

Table 2-14: Mining company gold price assumptions (2020/21 declarations)

Company	2P	3R	2020 Prdn	Global Prdn	2P	2P+3R	Global: 3R
	(US$/oz)	(US$/oz)	(MozAu)	(%)	(MozAu)	(MozAu)	(%)
Newmont Goldcorp Corp.	1,200	1,400	6.82	6.4	94.2	195.4	5.4
Barrick Gold Corp.	1,200	1,500	5.57	5.2	68.0	203.0	5.6
AngloGold Ashanti Ltd.	1,200	1,500	3.39	3.2	29.7	124.5	3.4
Kinross Gold Corp.	1,200	1,600	2.51	2.4	30.0	41.4	1.1
Newcrest Mining Ltd.	1,300	1,400	2.32	2.2	49.0	108.0	3.0
PJSC Polyus	1,250	n/a	2.79	2.6	60.8	187.5	5.1
Freeport-McMoRan Inc.	1,200	1,200	0.74	0.7	15.5	72.0	2.0
Gold Fields Ltd.	1,300	1,500	2.04	1.9	50.3	104.6	2.9
Agnico Eagle Mines Ltd.	1,250	1,250	1.78	1.7	24.1	38.7	1.1
Sibanye Gold Ltd.	1,500	n/a	1.00	0.9	11.3	60.6	1.7
Total	**1,200**	**1,400**	**29.0**	**27.2**	**432.8**	**1,135.8**	**31.2**

Table 2-15: Historical gold price assumptions (2019): Ore Reserves; Mineral Resources and Development Status

Year	2P[1]	2P-LTP[2]	3R-LTP[3]	3R Premium[4]	PFS[5]	FS[5]	Producing
	(MozAu)	(US$/oz)	(US$/oz)	(%)	(US$/oz)	(US$/oz)	(US$/oz)
2012	1,628	1,320	1,419	7.5	1,324	1,269	1,369
2013	1,620	1,246	1,407	12.9	1,330	1,284	1,281
2014	1,573	1,218	1,358	11.4	1,291	1,227	1,251
2015	1,562	1,166	1,300	11.5	1,254	1,161	1,197
2016	1,520	1,172	1,321	12.6	1,200	1,215	1,203
2017	1,527	1,212	1,349	11.3	1,221	1,257	1,242
2018	1,494	1,225	1,349	10.2	1,212	1,260	1,260
2019	1,506	1,255	1,378	9.8	1,251	1,306	1,284
2020	**1,572**	**1,329**	**1,514**	**13.9**	**1,390**	**1,390**	**1,366**

(1) 2P – global Proved and Probable Ore Reserves reported by gold mining companies.

(2) 2P LTP – Ore Reserves long term price assumption.

(3) 3R LTP – Mineral Resources long term price assumption.

(4) 3R Premium – implied premium to long term Ore Reserve price assumption.

(5) Pre-Feasibility Study ("**PFS**"); Feasibility Study ("**FS**").

Table 2-16: Historical mining company (producer category) gold price assumptions (2019)[1]

Year	Junior	Intermediate	Major	Other	J-M Prem.	I-M Prem.
	(US$/oz)	(US$/oz)	(US$/oz)	(US$/oz)	(%)	(%)
2012	1,245	1,332	1,277	1,314	(2.5)	4.3
2013	1,304	1,255	1,192	1,323	9.4	5.3
2014	1,197	1,245	1,173	1,238	2.0	6.1
2015	1,118	1,131	1,129	1,181	(1.0)	0.2
2016	1,155	1,151	1,136	1,168	1.6	1.3
2017	1,144	1,192	1,173	1,208	(2.5)	1.6
2018	1,212	1,199	1,184	1,218	2.3	1.2
2019	1,251	1,221	1,190	1,258	5.1	2.6
2020	**1,343**	**1,247**	**1,266**	**-**	**6.1**	**(1.5)**

(1) Junior (<200kozpa); Intermediate (>200kozpa,<1Mozpa); and Major (1Mozpa).

2.4 Commodity Input Cost Pricing

Commodity input costs at the Mineral Assets typically reflect costs associated with the supply to site for fuel for mobile fleet equipment and on-site power generation where applicable. The

assumptions as incorporated into the current budgets and LoMp costing assumptions reported on a delivered basis ranges from a low of XOF562 to XOF606 per litre which based on the Group's assumed exchange rate of XOF555 to US$1.00 indicates a range of US$1.01/l to US$1.09/l.

This aside delivered diesel fuel prices are typically based on in-country government set quotes who determine the delivered diesel fuel price based a combination of benchmark oil price such as ICE Brent Crude and the diesel price in addition to all related freight, wharfage, storage, local levies, Value Added Tax, excise duties and fuel levies.

The diesel price measured in US$/t is derived from an assumed forward price per barrel of diesel and the following unit conversion factors: 42 United States gallons per barrel; 3.785412 litres per United States Gallon; and a diesel specific gravity of 0.8350. This yields an overall factor of 7.53. The resulting determinations reported in USc/l which is inclusive of all adjustments is also typically compared with the determination of a price per litre of diesel but excluding all freight and associated costs to determine an equivalent price based on the following assumptions: an ICE Brent Crude LTP expressed in US$/bl; a diesel cost adjustment factor of US$/bl; and the aforementioned unit conversion factors. Public domain sources note a cost of refining diesel of approximately US$0.49 per gallon. Crude oil refining of 1 barrel typically yields 20 gallons of gasoline/petroleum and 11 gallons of distillate fuel oil where the latter represents a yield of approximately 26%. Accordingly, this reflects a diesel refining cost of approximately US$5.40/bl of crude oil. This specific analysis has not been completed for local supply and the Company has currently assumed a constant real terms price of US$1.09/l delivered to site which is similar to the reported diesel prices as at 29/03/2021 of US$0.98/l for Burkina Faso, US$1.08/l for Côte d'Ivoire and US$1.08/l for Mali.

2.5 Macro-Economics

The Financial Models as reported herein are noted in real terms (1 January 2021) and as such do not explicitly model the impact of inflation and purchase price parity determinations of nominal exchange rates. This aside certain of the key assumptions are directly modelled, specifically where local expenditures (fuel levies) are stated in local currencies. Accordingly, the following section includes a summary analysis of the key macro-economic parameters which directly or indirectly impact both the projection of expenditures and the economic performance of the Mineral Assets.

2.5.1 Exchange Rates

The Financial Models incorporate exchange rates which are largely based on that reported as at September 2020 and incorporated into its annual budgeting and short-term assumptions which are reported in Table 2-17 below and can be compared with the reported period end historical exchange rates for 31 December 2020 and 31 March 2021. Analysis of the historical statistics for the primary currencies within which the Group operates indicates as follows:

- The CFA Franc BCEAO reports a Q1 2021 average of XOF542 to one US$ and XOF562 as at 31 March 2031. CFA stands for Communauté Financière d'Afrique (African Financial Community) and the currency is issued by Banque Centrale des États de l'Afrique de l'Ouest (the Central Bank of West African States). The CFA Franc BCEAO is the common currency for eight independent states in West Africa comprising: Benin; Côte d'Ivoire, Burkina Faso, Republic of Guinea-Bissau, Mali, Niger, Senegal and Togolese Republic;
- The Guinean Franc reports a Q1 2021 average of GNF9,984 to one US$ and GNF9,957 as at 31 March 2031;
- The Canadian Dollar reports a Q1 2021 average of C$1.27 to one US$ and C$1.26 as at 31

March 2031; and

- The British Pound Sterling reports a Q1 2021 average of US$1.38 to one GBP and US$1.26 as at 31 March 2031.

Table 2-17: Exchange rate assumptions

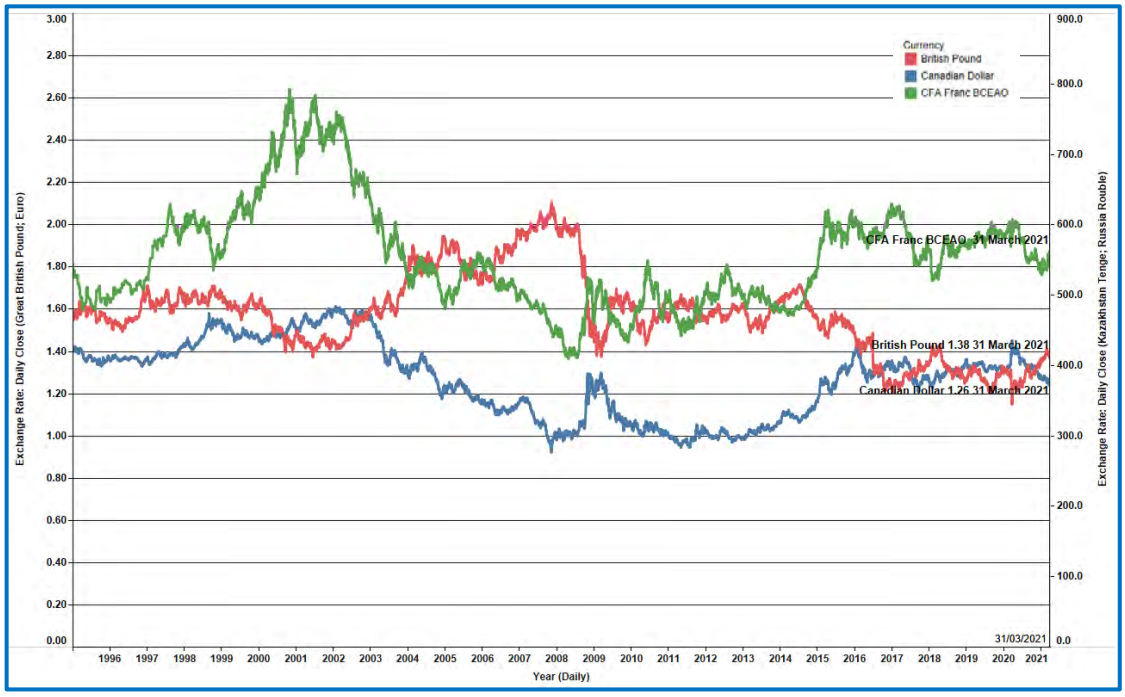
Exchange Rates	Units	31/12/2020	31/03/2021	Budget
CFA Franc BCEAO (XOF)	(LCU:US$)	572	542	555
Guinean Franc (GNF)	(LCU:US$)	9,990	9,957	n/a
Canadian Dollar (C$)	(LCU:US$)	1.34	1.27	1.30
Pound Sterling (GBP)	(US$:LCU)	1.28	1.38	1.25

Table 2-18: Historical exchange rates

Year	Annual Average			End of Period		
	(XOF)	(CAD)	(GBP)	(XOF)	(CAD)	(GBP)
2000	710	1.48	1.52	699	1.50	1.50
2001	731	1.55	1.44	735	1.59	1.45
2002	691	1.57	1.50	629	1.57	1.61
2003	579	1.40	1.64	520	1.30	1.79
2004	527	1.30	1.83	484	1.20	1.92
2005	527	1.21	1.82	554	1.16	1.72
2006	522	1.13	1.84	497	1.17	1.96
2007	478	1.07	2.00	449	1.00	1.98
2008	448	1.07	1.85	467	1.22	1.46
2009	471	1.14	1.57	457	1.05	1.62
2010	495	1.03	1.55	490	1.00	1.56
2011	471	0.99	1.60	507	1.02	1.55
2012	510	1.00	1.59	496	0.99	1.63
2013	494	1.03	1.56	476	1.06	1.66
2014	495	1.10	1.65	538	1.16	1.56
2015	591	1.28	1.53	603	1.38	1.47
2016	592	1.32	1.36	625	1.34	1.23
2017	583	1.30	1.29	561	1.26	1.35
2018	557	1.30	1.33	569	1.36	1.28
2019	582	1.33	1.28	582	1.30	1.33
2020	572	1.34	1.28	531	1.27	1.37
2021[1]	**542**	**1.27**	**1.38**	**562**	**1.26**	**1.38**

(1) Reported for Q1 2021 and for end of period as at 31 March 2021.

Figure 2-3: Historical daily exchange rates from 1 January 1995 through 31 March 2021 for the C$ and CFA Fran BCEAO to one US$ and US$ to one GBP



2.5.2 Consumer Price Inflation

Forecast consumer price inflation assumptions are not explicitly incorporated into the Financial Models other than indirectly in respect of key cost assumptions which have been obtained in 2020 and appropriately indexed to 2021 money terms. Furthermore, analyst CPI forecasts for West African countries are not readily available or as widely covered as certain international

countries and as such the majority of the assumptions as reported in Table 2-19 reflect the reported closing determinations for either 2020 or 31 March 2021. Table 2-20 presents the historical CPI reported as year on year 12-month statistics for all countries in which the Group operates which indicates as follows for 31 December 2020: 2.32% for Burkina Faso; 2.35% for Côte d'Ivoire; 9.12% for Guinea; 0.70% for Mali; 194% for Niger; 2.43% for Senegal; 0.73% for Canada; 2.29% for the United States and 0.83% for the United Kingdom. Figure 2-4 presents historical CPI timelines for Burkina Faso, Côte d'Ivoire, Mali and Senegal (2000 through 31 March 2021); and Figure 2-5 for Canada, United Kingdom and the United States (2000 through 31 March 2021).

Table 2-19: Consumer Price Inflation forecast assumptions (2021 through 2025)

Consumer Price Inflation (P)	Units	2021	2022	2023	2024	2025
Burkina Faso	(%)	2.39	2.39	2.39	2.39	2.39
Côte d'Ivoire	(%)	2.29	2.29	2.29	2.29	2.29
Guinea	(%)	10.58	10.58	10.58	10.58	10.58
Mali	(%)	0.70	0.70	0.70	0.70	0.70
Niger	(%)	6.30	6.30	6.30	6.30	6.30
Senegal	(%)	2.43	2.43	2.43	2.43	2.43
Canada	(%)	1.50	1.70	1.95	1.95	1.95
United States	(%)	2.76	2.10	2.11	2.17	2.22
United Kingdom	(%)	1.50	1.77	2.00	2.00	2.00

Table 2-20: Historical Consumer Price Inflation (2000 through 2021): year on year 12-month statistics

Period	Year on Year 12 Month Consumer Price Inflation								
	Burkina Faso	Côte d'Ivoire	Guinea	Mali	Niger	Senegal	Canada	United States	United Kingdom
2000	2.36	3.60	-	2.49	4.65	1.31	3.20	3.39	1.23
2001	1.01	4.78	-	5.24	3.17	3.88	0.72	1.55	1.35
2002	3.93	4.41	-	4.06	0.62	1.50	3.80	2.38	1.73
2003	3.16	(0.10)	-	(4.96)	(1.48)	(1.49)	2.08	1.88	1.31
2004	0.68	4.44	-	1.49	3.63	1.71	2.13	3.26	1.68
2005	4.48	2.53	29.70	3.40	4.19	1.38	2.09	3.42	2.16
2006	1.54	2.04	39.07	3.56	0.33	3.99	1.67	2.54	2.86
2007	2.23	1.48	12.87	2.23	4.75	6.14	2.38	4.08	2.30
2008	11.62	8.93	13.49	7.81	13.59	6.55	1.16	0.09	3.08
2009	(0.30)	(1.63)	7.91	1.74	(4.33)	(4.54)	1.32	2.72	2.07
2010	(0.30)	4.93	20.79	1.90	2.67	4.29	2.35	1.50	3.15
2011	5.08	1.94	19.03	5.26	1.45	2.74	2.30	2.96	3.60
2012	1.61	3.43	12.84	2.41	0.66	1.14	0.83	1.74	2.42
2013	0.16	0.42	10.54	(0.01)	1.14	(0.08)	1.24	1.50	1.95
2014	(0.16)	0.85	0.01	1.12	(0.62)	(0.81)	1.47	0.76	0.71
2015	1.94	1.36	16.96	1.02	(1.20)	0.38	1.61	0.73	0.50
2016	(0.30)	(0.18)	8.69	(0.79)	1.45	2.10	1.50	2.07	1.79
2017	1.64	1.06	9.55	1.06	4.29	(0.65)	1.87	2.11	2.74
2018	0.34	1.02	9.94	0.82	1.57	1.33	1.99	1.91	2.00
2019	(2.56)	(0.57)	9.12	(3.48)	(2.32)	1.47	2.25	2.29	1.31
2020	2.32	2.35	10.58	0.70	194.32	2.43	0.73	1.36	0.83
2021	(0.67)	2.82	6.65	2.30	3.54	(0.38)	1.60	1.53	0.09

Figure 2-4: Historical Consumer Price Inflation statistics for Burkina Faso, Côte d'Ivoire, Mali and Senegal (2000 through 31 March 2021)

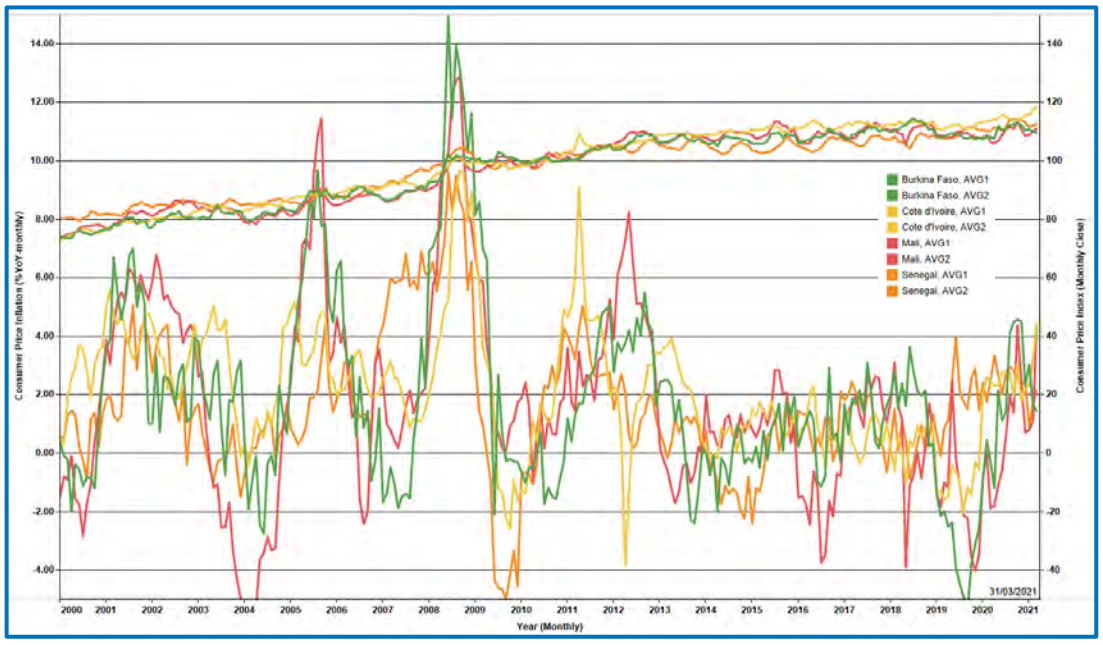
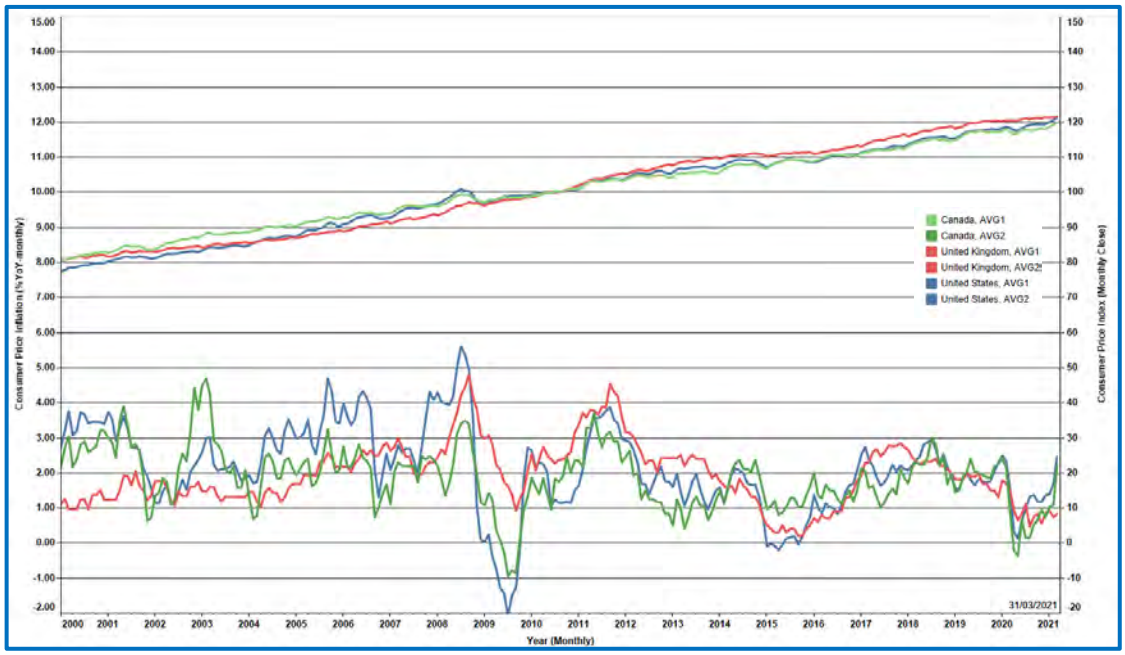


Figure 2-5: Historical Consumer Price Inflation statistics for Canada, United Kingdom and the United States (2000 through 31 March 2021)



2.6 Summary Opinion

The gold price assumption assumed for reporting of the Ore Reserves herein reflects LTP of US$1,300/ozAu which compares favourably, if not slightly conservative when compared with that reported in various recent polls and comparisons with other operating gold companies which range from US$1,200/oz to US$1,750/oz and reflecting an average of approximately US$1,400/oz.

With respect to reporting Mineral Resources, the Group's assumption at US$1,500/oz is within the range (US$1,200/oz through US$1,600/oz) reported by the senior gold mining companies and is only marginally higher than the average (US$1,459/oz) reported by the recent PWC poll.

For the Financial Models as reported herein, SRK has assumed the latest CMF dated March 2021 which reflects a short-term price of US$1,730 for 2021 reducing to a LTP of US$1,430/oz from 2026 onwards. This long-term price assumption is lower than that polled in mid calendar year 2020 (US$1,500/oz) but remains closely aligned with the more recent Ore Reserve price assumptions reported by gold producers.

With respect to commodity input costs the assumed fuel prices broadly reflect that currently reported at the point of delivery in country, however no long-term analysis has been undertaken to reflect potential changes in commodity input costs should global benchmark prices recover as global activity increases post the impacts of COVID-19 global economic downturn.

The macro-economic assumptions as incorporated into the Group's planning is largely aligned with historical closing statistics for 2020, however in the short term there remains a potential for margin expansions given the non-purchase price parity relationships exhibited between exchange rates and consumer price inflation estimates.

3 ENDEAVOUR MINING PLC

3.1 Introduction

The following section includes discussion and comment on the Group and specifically includes: Corporate Structure; historical development; the Mineral Assets; a summary of the legislative environment in which the group operates; sustainability; safety; security. In addition, this section also includes commentary on certain common technical themes as they relate to the Mineral Assets to avoid duplication and repetition in each of the underlying technical sections.

3.2 Group Structure and Historical Performance

The Group was originally incorporated as Endeavour Mining Capital Corp. on 25 July 2002, under the laws of the Cayman Islands as a mining finance, investment and advisory business. It changed its name on 14 September 2010 to Endeavour Mining Corporation. The Group's ordinary shares ("**Endeavour Shares**") are listed on the TSX under the symbol EDV and quoted in the United States on OTCQX International under the symbol "**OTCQX:EDVMF**". In parallel to the Admission (defined in Section 1.2), the Group structure will be amended to result in the Company becoming the parent company of the Group and its shares being admitted to listing and to trading on both the London Stock Exchange and the TSX.

Endeavour is a senior diversified gold mining company which owns and manages the Mineral Assets comprising both open pit and underground mines, development projects and exploration properties. The Company's equity interest in the Mineral Assets are held through various wholly owned subsidiaries incorporated in the countries within which it operates and additional offshore entities and structures which are also wholly owned by the Group. Certain of the Exploration Properties are managed through Joint Venture arrangements e.g. the Sarama JV which manages a number of Exploration Properties located in Burkina Faso.

The Corporation's registered office is located at 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman, Cayman Islands. Its corporate office is located at 5 Young Street, London, United Kingdom and its executive office is located at 7 Boulevard des Moulins, Monaco.

For the 12-month period through to 31 December 2020, a review of the consolidated operational and financial highlights (Table 3-1; Table 3-2) as reported in the Company's MD&A indicates as follows:

- Total gold production of 803kozAu (2019: 651kozAu);
- Total gold sales of 809kozAu (2019: 649kozAu);
- AISC of US$853/oz (2019: US$824/oz);
- Adjusted EBITDA of US$703.1m (2019: US$355.7m);
- Total capital expenditures of US$242.2m (2019: US$243.3m) comprising growth projects of US$7.7m (2019: 94.1m), non-sustaining capital expenditure of US$105.3m (2019: US$57.3m) and non-sustaining exploration expenditures of US$63.3m (2019: US$39.2m); and
- Total mining interests valued at US$2.6bn (2019 US$1.4bn).

Current guidance published by the Group comprises production, AISC and capital expenditures (consolidated) as reported in Table 3-3 which includes gold production ranging from 1.35Moz to 1.48Moz; AISC ranging from US$840/oz to US$890/oz; and total capital expenditures ranging from US$470m to US$510m.

As at March 30, 2021, the intercorporate relationships between the Corporation and its material subsidiaries, the Corporation's percentage ownership of the voting securities of each material

subsidiary and their respective jurisdictions of incorporation are set out in Figure 3-1 below.

Figure 3-1: Group corporate structure

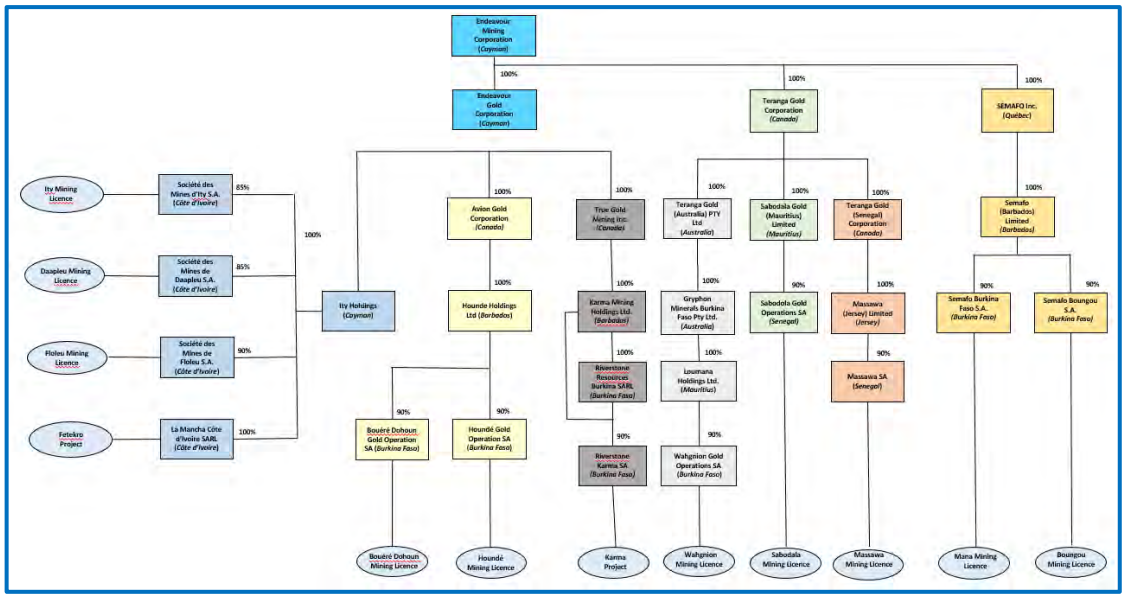


Table 3-1: Endeavour Mining plc: historical operating financial date from 2012 through Q1 2021

Statistics	Units	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q1 2021
Operating Data											
Gold Produced	(koz)	220	324	466	517	592	663	612	651	803	334
Gold Sold	(koz)	219	319	468	520	546	654	612	649	809	364
Financial Data											
Revenue	(US$m)	365.3	443.3	583.6	601.4	566.5	652.1	752.0	886.4	1,424.1	635.8
Realized Gold Price	(US$/oz)	1,669	1,392	1,264	1,157	1,234	1,222	1,228	1,366	1,761	1,749
Adjusted EBITDA	(US$m)	197.4	87.1	142.8	163.7	234.0	201.2	264.8	355.7	703.1	311.1
Operating Cash Flows	(US$m)	184.5	43.8	127.4	147.3	153.9	221.8	250.9	301.9	710.6	206.7
Cash	(US$m)	151.1	73.3	62.2	109.5	124.3	122.7	124.0	189.9	645.0	868.2
Net (Cash)/Debt	(US$m)	49.4	270.1	254.1	143.9	221.1	231.7	536.4	528.2	(74.7)	161.8
Total Assets	(US$m)	1,755.8	1,274.0	963.9	1,357.1	1,738.0	1,693.5	1,922.0	1,872.8	3,881.7	6,985.3
ARO	(US$m)	35.7	29.8	35.4	35.9	38.9	49.2	38.6	38.5	78.0	127.9
Capital Expenditure											
Non-Sustaining	(US$m)	-	28.1	80.1	24.1	25.8	46.9	44.1	57.3	105.3	56.8
Non-Sustaining Exploration	(US$m)	13.8	12.1	12.0	6.3	16.7	24.9	41.9	39.2	63.3	6.3
Sustaining Exploration	(US$m)	16.1	5.7	4.3	6.7	9.7	10.2	7.2	9.9	4.9	9.8
Growth	(US$m)	86.7	143.6	9.9	7.0	135.2	356.0	266.9	94.1	7.7	23.0
Sustaining	(US$m)	15.7	27.4	30.6	48.5	43.9	48.4	26.1	42.8	60.9	27.6
Total	**(US$m)**	**132.3**	**216.8**	**136.8**	**92.6**	**231.4**	**486.4**	**386.2**	**243.3**	**242.2**	**123.5**
Unit Costs											
Cash Cost	(US$/oz)	767	886	826	720	685	679	655	732	749	751
AISC	(US$/oz)	839	1,137	1,010	922	884	869	843	824	853	858
Statements (Attributable)											
Ore Reserves	(koz)	2,492	3,567	3,952	4,550	5,531	7,614	6,799	6,789	15,779	15,408
Mineral Resources	(koz)	9,037	8,192	9,037	9,604	12,920	15,080	13,849	14,482	32,579	32,208
Equity Metrics											
Share Price	(US$/share)	22.47	9.91	6.64	4.71	13.71	18.22	16.91	17.09	22.40	21.03
Market Capitalisation (Average)	(US$m)	690.2	408.1	274.5	202.0	1,159.7	1,782.3	1,821.6	1,874.0	3,141.5	4,317.9
Equity Value (Average)	(US$m)	645.5	555.5	531.5	434.6	1,303.7	1,928.6	2,184.9	2,544.5	3,775.1	4,808.8
EV/Ore Reserves	(US$/oz)	259	156	134	96	236	253	321	375	239	312
EV/Mineral Resources	(US$/oz)	71	68	59	45	101	128	158	176	116	149
MCAP/Ore Reserves	(US$/oz)	277	114	69	44	210	234	268	276	199	280
MCAP/Mineral Resources	(US$/oz)	76	50	30	21	90	118	132	129	96	134

Table 3-2: Group Operating Mines: historical (pre- and post-acquisition) sales and cash costs from 2012 through Q1 2021(1)

Statistic	Units	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q1 2021
Production											
Sabodala -Massawa	(kozAu)	-	-	-	193	218	231	246	234	226	77
Houndé	(kozAu)	-	-	-	-	-	69	276	227	278	67
Ity CIL	(kozAu)	-	-	-	81	76	59	85	188	208	75
Mana	(kozAu)	-	-	-	259	241	205	181	132	214	61
Wahgnion	(kozAu)	-	-	-	-	-	-	-	34	181	38
Karma	(kozAu)	-	-	-	-	29	97	108	97	98	22
Boungou	(kozAu)	-	-	-	-	-	-	60	214	155	58
Ity Heap Leach	(kozAu)	-	-	-	-	-	-	-	3	-	-
Agbaou	(kozAu)	-	6	147	181	196	177	141	138	105	13
Tabakoto	(kozAu)	110	125	127	151	163	144	115	-	-	-
Nzema	(kozAu)	109	103	115	110	88	116	-	-	-	-
Youga	(kozAu)	91	89	77	68	-	-	-	-	-	-
Total	**(kozAu)**	**311**	**324**	**466**	**1,044**	**1,010**	**1,098**	**1,212**	**1,267**	**1,465**	**411**
AISC											
Sabodala -Massawa	(US$/ozAu)	-	-	-	889	857	957	897	904	950	868

Statistic	Units	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q1 2021
Houndé	(US$/ozAu)	-	-	-	-	-	335	564	862	836	839
Ity CIL	(US$/ozAu)	-	-	-	683	756	906	719	616	808	786
Mana	(US$/ozAu)	-	-	-	645	720	942	1,018	1,025	769	954
Wahgnion	(US$/ozAu)	-	-	-	-	-	-	-	975	954	943
Karma	(US$/ozAu)	-	-	-	-	738	834	813	903	1,007	1,179
Boungou	(US$/ozAu)	-	-	-	-	-	-	621	482	680	690
Ity Heap Leach	(US$/ozAu)	-	-	-	-	-	-	-	1,086	-	-
Agbaou	(US$/ozAu)	-	-	-	-	534	647	819	796	1,027	1,131
Tabakoto	(US$/ozAu)	1,250	972	1,335	1,067	1,027	1,148	1,369	-	-	-
Nzema	(US$/ozAu)	753	917	1,036	1,064	1,167	859	-	-	-	-
Youga	(US$/ozAu)	678	730	824	913	-	-	-	-	-	-
Total	**(US$/ozAu)**	**907**	**869**	**756**	**704**	**805**	**866**	**841**	**786**	**863**	**868**

(1) For 2018 through 2019 the AISC have been restated in accordance with by the Group's current AISC reporting policies.

Table 3-3: Endeavour Mining plc: current guidance for the Mineral Assets

Mineral Assets	Production		AISC		Capital Expenditure				
	Low (kozAu)	High (kozAu)	Low (US$/oz)	High (US$/oz)	Sustaining (US$m)	Non-Sustaining (US$m)	Growth (US$m)	Exploration (US$m)	Total (US$m)
Operating Property									
Boungou Gold Mine	180	200	690	740	19	22	-	7	48
Houndé Gold Mine	240	260	855	905	39	13	-	7	59
Ity Gold Mine	230	250	800	850	28	27	-	9	64
Karma Gold Mine	80	90	1220	1300	11	5	-	0	16
Mana Gold Mine	170	190	975	1050	27	62	-	8	97
Sabodala-Massawa Gold Mine	310	330	690	740	35	47	25	13	120
Wahgnion Gold Mine	140	155	940	990	14	26	-	12	52
Subtotal	**1,350**	**1,475**	**831**	**888**	**173**	**202**	**25**	**56**	**456**
Development Property									
Fetekro Development Property	-	-	-	-	-	-	6	-	6
Kalana Development Property	-	-	-	-	-	-	6	-	6
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**12**	**-**	**12**
Advanced Exploration Property									
Golden Hill AEP	-	-	-	-	-	-	3	-	3
Bantou AEP	-	-	-	-	-	-	1	-	1
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**4**	**-**	**4**
Other									
Greenfield Exploration	-	-	-	-	-	-	-	14-34	14-34
Sustaining Exploration	-	-	5	5	-	-	-	-	-
Corporate G&A	-	-	30	30	-	-	5	-	5
Subtotal	**-**	**-**	**35**	**35**	**-**	**-**	**5**	**14-34**	**19-39**
Total	**1,350**	**1,475**	**840**	**890**	**173**	**202**	**46**	**70-90**	**472-511**

Figure 3-2 presents a summary of the Group's historical share price performance including equity value and market capitalisation from 1 January 2020 through 17 May 2021 and reports share price, equity value and market capitalisation measured in US$. Table 3-4 presents a summary of the numerical values for the Group's share related metrics for the same period which indicates as follows:

- As at 31 December 2020 closing statistics comprising a share price of US$23.27/share, market capitalisation of US$3.8bn and equity value of US$4.3bn;
- As at 31 March 2021 closing statistics comprising a share price of US$20.17/share, market capitalisation of US$5.1bn and equity value of US$5.4bn; and
- As at 17 May 2021 closing statistics comprising a share price of US$22.76/share, market capitalisation of US$5.7bn and equity value of US$6.0bn.

Figure 3-2: Historical share price performance including Equity Value and Market Capitalisation

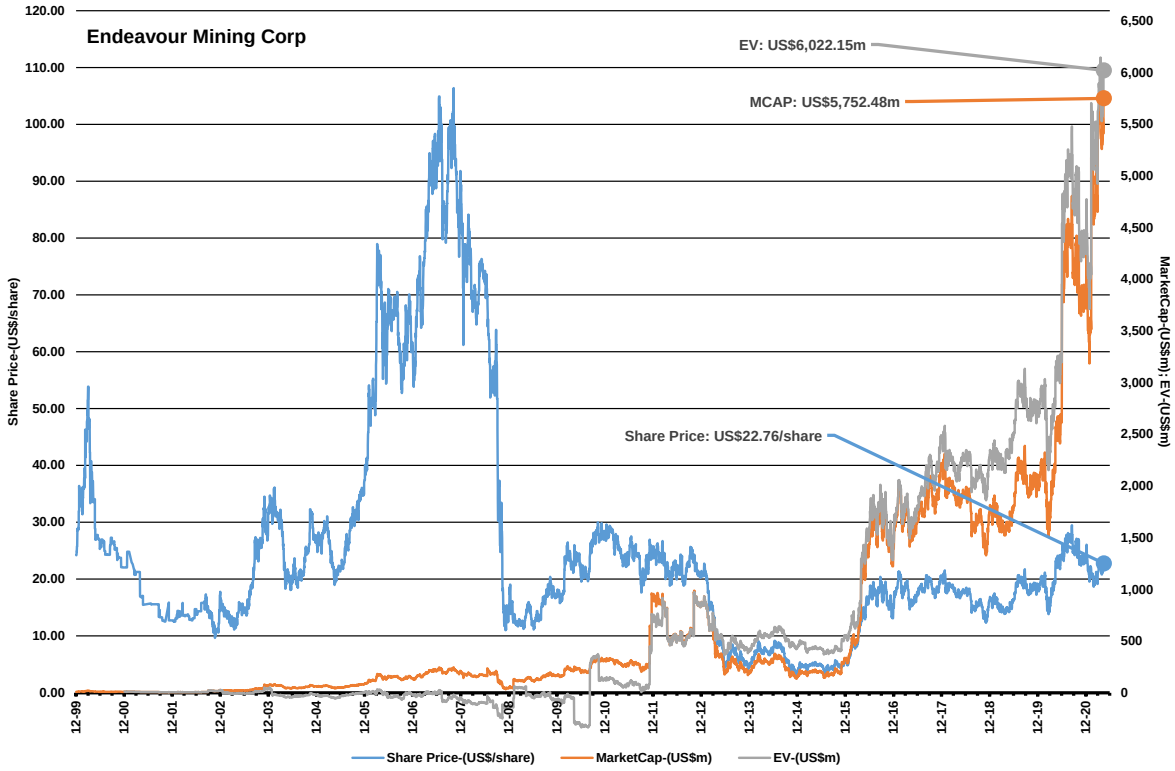


Table 3-4: Endeavour Mining plc: historical share price performance including Market Capitalisation and Equity Value

Period	Share Price			MCAP			EV		
	Average (US$/sh)	Min (US$/sh)	Max (US$/sh)	Average (US$m)	Min (US$m)	Max (US$m)	Average (US$m)	Min (US$m)	Max (US$m)
2000	30.26	22.04	53.85	11.69	9.19	20.44	-	-	-
2001	17.17	12.54	24.83	7.80	5.64	11.36	7.79	5.64	11.36
2002	13.67	9.65	17.76	9.71	5.60	27.60	9.71	5.60	27.60
2003	18.58	11.11	34.53	30.76	17.26	79.82	4.28	(10.28)	50.11
2004	25.62	18.07	36.11	59.24	41.77	83.49	(23.03)	(46.22)	50.59
2005	27.28	18.98	37.43	63.07	43.89	86.53	(25.36)	(53.70)	4.76
2006	60.85	37.43	78.96	140.92	86.53	182.56	(13.70)	(65.15)	32.92
2007	85.25	53.84	106.41	198.15	125.15	247.32	(27.11)	(89.75)	25.49
2008	57.90	11.03	89.38	152.17	36.12	236.50	(112.77)	(248.10)	(29.98)
2009	14.66	11.14	20.39	132.82	40.33	197.96	(22.03)	(142.53)	63.87
2010	23.32	15.79	30.00	240.08	152.72	339.79	(41.83)	(335.29)	374.04
2011	24.69	17.64	29.62	315.06	202.27	962.40	119.84	7.14	762.30
2012	22.47	18.82	26.71	690.18	461.27	989.27	645.49	448.10	976.10
2013	9.91	4.14	22.72	408.06	170.90	933.37	555.54	364.23	934.25
2014	6.64	3.27	9.13	274.49	135.19	377.30	531.53	398.86	644.03
2015	4.71	3.53	5.75	202.03	145.82	336.62	434.55	372.71	557.60
2016	13.71	4.84	20.41	1,159.68	285.70	1,891.70	1,303.69	506.67	2,012.23
2017	18.22	14.67	21.33	1,782.32	1,395.06	2,223.41	1,928.63	1,456.94	2,493.31
2018	16.91	12.34	21.52	1,821.57	1,329.53	2,314.05	2,184.90	1,862.32	2,583.95
2019	17.09	13.87	21.74	1,873.96	1,522.90	2,390.28	2,544.51	2,127.84	3,135.11
2020	22.40	13.83	29.49	3,141.46	1,520.45	4,807.96	3,775.08	2,155.00	5,481.07
31/03/2021	**21.03**	**18.65**	**26.05**	**4,317.87**	**3,186.08**	**5,178.18**	**4,808.79**	**3,714.36**	**5,706.46**
17/05/2021	22.02	20.82	23.26	5,564.34	5,261.92	5,878.48	5,834.00	5,531.59	6,148.14

3.2.1 Historical Development

On 27 November 2015, the Group entered into a long-term strategic partnership with La Mancha Holding S.à r.l. ("**La Mancha**"), a privately held gold investment company controlled by the Sawiris family. As part of the agreement with La Mancha, the Group acquired La Mancha's indirect 55% interest in the Ity Gold Mine in Côte d'Ivoire, as well as a 100% interest in La Mancha's exploration entity in Côte d'Ivoire, which currently holds and/or manages six exploration permits. As part of this transaction, La Mancha became a 30% shareholder in the Group and the Group entered into an Investor Rights Agreement with La Mancha that granted La Mancha anti-dilution rights and two Board seats.

On 29 February 2016, the Group completed the sale of the Youga Mine, by then a non-core asset, to MNG Gold. The Group received a total cash consideration of US$25.3m. In connection with the disposition, the Group retained a 1.8% net smelter royalty on production from Youga Mine realised beyond the mineral reserves as of 31 December 2015, with the inclusion of a buyback provision for the net smelter royalty in favour of MNG Gold.

On 26 April 2016, the Group completed the acquisition of True Gold pursuant to a British Columbia court-approved plan of arrangement. True Gold owned 90% of Riverstone Karma SA, which owned the Karma Gold Mine in Burkina Faso. Concurrent with the acquisition of True Gold, La Mancha exercised its anti-dilution rights and invested a further US$65.1m in the Company by way of an equity placement.

On 11 July 2016, the Group closed a Bought Deal Financing, issuing a total of 7,187,500 Shares at a price of C$20.00 per ordinary share, which included the exercise of the underwriters' over-allotment option in full. The proceeds of the Bought Deal Financing were allocated for (i) enhancing the funding of the Group's exploration program over the two years following the closing of the Bought Deal Financing, primarily focused on existing or anticipated licence areas in Côte d'Ivoire, Burkina Faso and Mali, (ii) funding the investigation and advancement of development projects, including the Ity CIL Project, subject to a positive feasibility study, and other development programs, as determined by the Group's management, and (iii) for general corporate purposes. As part of the Bought Deal Financing, La Mancha purchased 1,000,000 Shares.

On 19 May 2017, the Group increased its interest in Ity to 80% by purchasing an additional 25% interest in Ity from the Société pour le Dévelopment Minier de la Côte d'Ivoire ("**SODEMI**"), for US$54.4m.

On 18 September 2017, the Group completed the acquisition of Avnel Gold, which owns 80% of the Kalana Development Property in Mali, driven by the larger strategic development opportunity to be based on a new feasibility study.

On 8 February 2018, the Group closed our private placement of convertible senior notes due 2023 for an aggregate principal amount of US$300.0m. On the same day, the initial purchasers exercised the over-allotment option for an aggregate principal amount of US$30.0m.

On 4 September 2018 we announced the sale of our non-core Tabakoto Gold Mine to Algom Resources Limited, a subsidiary of BCM International LTD. The sale was completed on 24 December 2018, for a total sale price consideration of approximately US$70.0m, composed of US$35m received on the date of closing, a deferred cash consideration of US$10m in 2019 and a 10% net smelter royalty on the Dar Salaam deposit, capped at a maximum of 200,000 ounces of gold. As part of the transaction, the Group retained our greenfield exploration tenements located over 20km north of the Tabakoto processing plant.

In January 2019, the Group acquired an additional 5% of the Ity Gold Mine, increasing the Group's ownership stake in the mine from 80% to 85%. In exchange for the additional 5% interest, the Group granted DYD International Holding Limited, a company owned by Didier Drogba, 1,072,305 common shares, amounting to a total consideration of approximately US$15m.

On 1 July 2020, the Group completed its acquisition of SEMAFO Inc ("**Semafo**"). The acquisition included the Boungou Gold Mine and the Mana Gold Mine both in Burkina Faso. The acquisition was effected by a court-approved plan of arrangement, through which shareholders of Semafo received 0.1422 of the Group's ordinary share for each Semafo common share held.

On 3 July 2020, the Group closed a US$100m private placement to La Mancha. The Group issued a total of 4,507,720 ordinary shares to La Mancha for aggregate net proceeds of US$100m as La Mancha exercised its anti-dilution right in support of the Semafo acquisition. Following the transaction, La Mancha's interest was approximately 24.1%, marking a reduction from their previous 31% interest.

On 24 December 2020, the Group closed an US$800m debt refinancing package. The refinancing consists of an amendment and extension of the Group's existing US$430m revolving credit facility ("**RCF**") and a US$370m bridge facility ("**Bridge Loan**"). The amended RCF will bear interest at the same rate as previously, at LIBOR plus a margin between 2.95% and 3.95%, on a sliding scale depending on leverage. The Bridge Loan will bear interest at 2.25%., increasing by 0.5% every six months until both facilities mature in January 2023. The refinancing proceeds were used to retire Teranga's various higher cost debt facilities.

On 10 February 2021, the Group completed its acquisition of Teranga Gold Corporation. Through the acquisition, the Group added the Wahgnion Gold Mine in Burkina Faso and the Sabodala-Massawa Gold Mine in Senegal to its portfolio. The acquisition was effected through a court-approved plan of arrangement, through which the shareholders of Teranga received 0.47 of the Group's ordinary share for each Teranga share held. In connection with the acquisition of Teranga, La Mancha exercised its anti-dilution right and invested US$200m via a placement of approximately 8.9 million shares. The investment closed on 30 March 2021 and following this investment, La Mancha's anti-dilution right has been extinguished.

On 21 January 2021 the Group announced the sale of our non-core Agbaou Gold Mine in Côte d'Ivoire to Allied Gold Corp. The Group completed the transaction on 2 March 2021, selling its 85% interest in the mine for a consideration of up to US$80m, with further upside through its equity exposure and a net smelter return royalty. The total consideration consists of US$20m in cash payable in the first quarter of 2021 and US$40m in Allied Gold shares and a contingent payment of up to US$20m, comprised of US$5m for each quarter of 2021 where the average gold price exceeds US$1,900/oz. In addition, the Group has a net smelter royalty on ounces produced in excess of the Agbaou Gold Mine Ore Reserves estimated as at 31 December 2019.

3.2.2 Employees

As at December 31, 2020, the Corporation (including Agbaou but excluding Teranga) employed approximately 4,860 employees and 6,370 contractors and consultants. Of the group's total employees, 95% were nationals, of which 31% were from local communities. Among management, 67% were West African, comprised of 47% nationals, 16% regional expatriates from West Africa and 3% from local communities. A total of 8% of the Corporation's employees were women, with 9% in management positions and 11% in technical roles. In 2020 20% of the new hires were women.

- Boungou Gold Mine had 287 employees of which 86% were nationals, 6% were women, and 34% were from locally impacted communities. West African staff represented 33% of senior management, with 11% being nationals;
- Houndé Gold Mine had 1,287 employees of which 97% were nationals, 11% were women and 23% were from locally impacted communities. West African staff represented 52% of senior management, with 33% being nationals;
- Ity Gold Mine had 967 employees of which 94% were nationals, 10% were women and 19% were from locally impacted communities. West African staff represented 66% of senior management, with 56% being nationals;
- Karma Gold Mine had 447 employees of which 98% were nationals and 2% were women.

West African staff represented 100% of senior management, with 25% from locally impacted communities; and

- Mana Gold Mine had 731 employees of which 95% were nationals, 1% were women, and 20% were from locally impacted communities. West African staff represented 34% of senior management, with 14% being nationals.

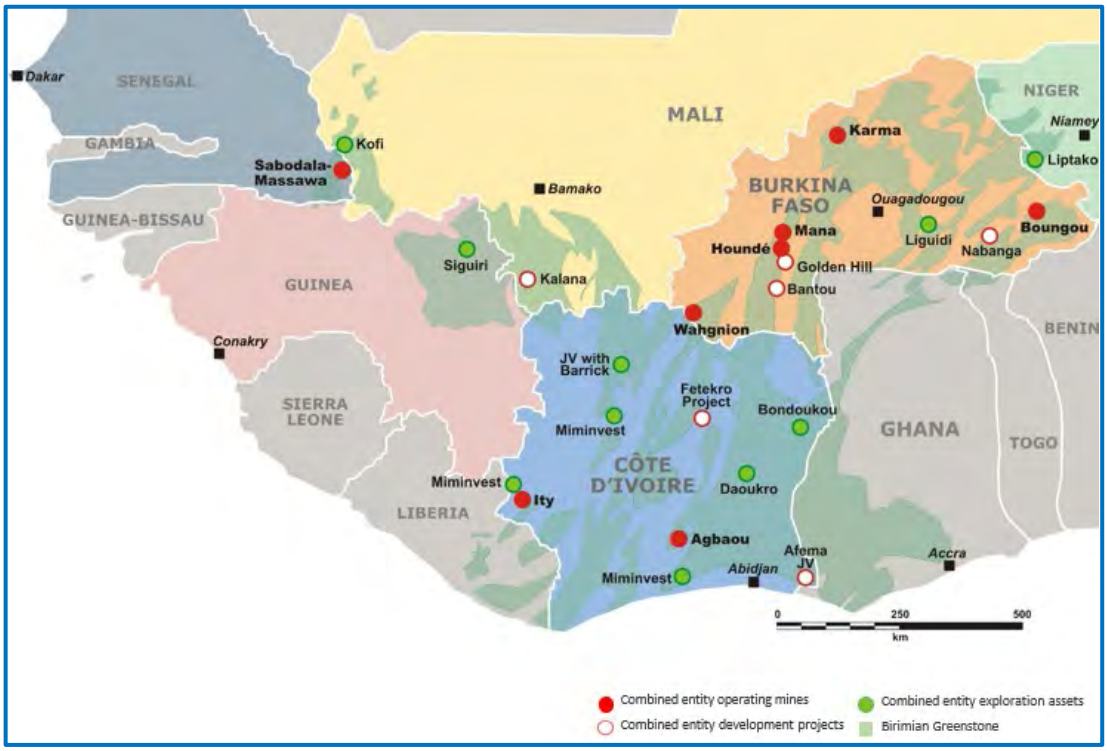
As at December 31, 2020, Teranga employed approximately 3,260 employees and 1,298 contractors and consultants. Of Teranga's Senegalese and Burkina Faso employees, 94% were nationals, with 34% from local communities. Among management, 57% were West African, including 47% nationals, 3% regional and 1% from local communities. A total of 8% of Teranga's Senegalese and Burkina Faso employees were women, with 10% in management positions, and 43% in technical or supervisory roles. In 2020, 26% of the new hires were women.

- Sabodala Gold Mine had 1,621 employees, of which 95% were nationals, 30% were from local communities, and 8% were women. Among management, 61% were West African, including 51% nationals and 2% from local communities; and
- Wahgnion Gold Mine had 1,214 employees, of which 93% were nationals, 40% were from local communities, and 7% were women. Among management, 46% were West African, including 43% nationals.

3.3 The Mineral Assets

The Mineral Assets are located within the Birimian Greenstone Belt in West Africa (Figure 3-3), a geological province which has a significant demonstrable history of exploration and production potential to date. Classified in accordance with development status (Section 1.2.2) the Mineral Assets, comprise seven Producing Properties, two Development Properties, three Advanced Exploration Properties, and 20 groupings of Exploration Properties. The Mineral Assets are located within 125 mineral licences for a total land package of 17,877km^2 with 25 of these licences representing 3,725km^2 and hosting some 85 deposit groupings for which Mineral Resources are reported. Of these 85 deposit groupings, 61 report open pittable resources only; one reports underground resources only; 17 report both open pittable and underground resources; and six comprise surface stockpiles.

Figure 3-3: Mineral Asset locations in West Africa



The Mineral Assets (Table 3-5; Table 3-6; Table 3-7) held by the Company as at 31 December 2020 and reported upon in this CPR are:

- a 90% equity interest in Boungou Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a CIP plant with a capacity of 1.3Mtpa which for the period ended 31 December 2020 sold 155kozAu at an AISC of US$680/ozAu;
- a 90% equity interest in Houndé Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a CIL plant with a capacity of 4.4Mtpa which for the 12-month period ended 31 December 2020 sold 278kozAu at an AISC of US$836/ozAu;
- a variable (85% to 90%) equity interest in Ity Gold Mine located in Côte d'Ivoire comprising an open pit mining operation processing through a CIL plant with a capacity of 5.3Mtpa which for the 12-month period ended 31 December sold 208kozAu at an AISC of US$808/ozAu;
- a 90% equity interest in Karma Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a HLF with a capacity of 4.1Mtpa which for the 12-month period ended 31 December 2020 sold 98kozAu at an AISC of US$903/ozAu;
- a 90% equity interest in Mana Gold Mine located in Burkina Faso comprising and open pit and underground mining operation processing through a CIL plant with a capacity of 2.3Mtpa which for the 12-month period ended 31 December 2020 sold 214kozAu at an AISC of US$769/ozAu;
- a 90% equity interest in Sabodala-Massawa Gold Mine located in Senegal comprising an open pit mining operation processing through a CIL plant with a capacity of 4.3Mtpa which for the 12-month period ended 31 December 2020 sold 226kozAu at an AISC of US$950/ozAu;
- a 90% equity interest in Wahgnion Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a CIL plant with a capacity of 3.4Mtpa which for the 12-month period ended 31 December 2020 sold 181kozAu at an AISC of US$954kozAu;

- a 80% equity interest in the Fetekro Development Property located in Côte d'Ivoire which assumes construction of an open pit mine processing through a CIP plant with capacity of 3.3Mtpa at a total initial capital investment of US$338.0m and is currently the subject of a feasibility study planned for completion in Q4 2021;
- a 80% equity interest in the Kalana Development Property located in Mali which assumes construction of an open pit mine processing through a CIL plant with capacity of 3.7Mtpa at a total initial capital investment of US$297m;
- Advanced Exploration Properties for which Mineral Resources have been defined to date and includes: a 100% equity interest in the Golden Hill AEP; a 90% equity interest in the Bantou AEP; and 90% equity interest the Nabanga AEP; and
- Exploration Properties comprising interests in over 86 mineral licences extending over a total land package of 14,152km^2.

Table 3-5: Mineral Assets: Producing Properties and Development Properties

Property Development Status	Country	Exploitation Licences (No)	Equity (%)	Mine/Plant Type	Capacity Mining (Mt)	Capacity Processing (Mt)	2020 Statistics Processed (Mt)	2020 Statistics Sales (koz)	2020 Statistics AISC (koz)
Producing Properties									
Boungou Gold Mine	Burkina Faso	1	90.00	o/p; CIP	25.4	1.3	1.1	155	680
Houndé Gold Mine	Burkina Faso	2	90.00	o/p; CIL	45.2	4.4	4.2	278	836
Ity Gold Mine	Côte d'Ivoire	3	85.00; 90.00	o/p; CIL	23.8	5.6	5.4	208	808
Karma Gold Mine	Burkina Faso	1	90.00	o/p; HL	21.4	5.0	4.9	98	1,007
Mana Gold Mine	Burkina Faso	1	90.00	o/p&u/g; CIL	31.4	2.3	2.4	214	769
Sabodala-Massawa Gold Mine	Senegal	2	90.00	o/p; CIL	29.2	4.3	4.1	226	950
Wahgnion Gold Mine	Burkina Faso	1	90.00	o/p; CIL	25.8	3.4	3.5	181	954
Total		**11**			**202.2**	**26.3**	**25.6**	**1,360**	**850**
Development Properties									
Fetekro Gold Project	Côte d'Ivoire	1	80.00	o/p; CIP			n/a	n/a	n/a
Kalana Gold Project	Mali	1	80.00	o/p; CIL			n/a	n/a	n/a
Total		**2**							

Table 3-6: Mineral Asset distribution

Development Status	Deposits (No)	Ore Reserves (No)	Mineral Resources (No)	Licences (No)	Area (km^2)	Resource Statements o/p (No)	Resource Statements u/g (No)	Resource Statements o/p, u/g (No)	Resource Statements s/p (No)
Producing Properties	68	43	68	11	978	45	1	17	5
Development Properties	4	4	4	2	637	3	-	-	1
Advanced Exploration Properties	13	-	13	12	2,111	13	-	-	-
Exploration Properties	-	-	-	99	16,000	-	-	-	-
Total	**85**	**47**	**85**	**124**	**19,725**	**61**	**1**	**17**	**6**

Table 3-7: Operating Property Overview

Descriptor	Boungou Gold Mine	Houndé Gold Mine	Ity Gold Mine	Karma Gold Mine	Mana Gold Mine	Sabodala Gold Mine	Wahgnion Gold Mine
Mine Type	Open Pit	Open Pit	Open Pit	Open Pit	o/p & u/g	Open Pit	Open Pit
Mining Rate	25.4Mt	45.2Mt	23.8Mt	21.4Mt	31.4Mt	39.2Mt	25.8Mt
Load & Haul	Contractor	Owner	Owner & Contractor	Contractor	Owner & Contractor	Owner	Owner & Contractor
Drill & Blast	Contractor	Contractor	Contractor	Contractor	Owner & Contractor	Owner	Owner
Surface Haulage	N/A	Contractor	N/A	Contractor	Contractor	Contractor	N/A
Underground Mining Method					0.825Mt ore Longhole stoping / CRF		
Processing Type	SAG & VTM CIP	SAG & Ball CIL	SAG & Ball CIL	Heap Leach	SAG & Ball CIL	SAG & Ball CIL	SAG & Ball CIL
EPCM	Lycopodium	Lycopodium	Lycopodium	Senet / Lycopodium	Genivar	Ausenco	Lycopodium
Processing Rate	1.3Mt	4.4Mt	5.3Mt	+4.1Mt	2.3Mt	4.3Mt	3.4Mt
Electrical Power	HFO + diesel	Grid + diesel	Grid + diesel	Diesel sets	Diesel sets	HFO sets	HFO sets
TSF Type	Downstream (Lined)	Downstream (Lined)	Downstream (Lined)	N/A	Centreline (Unlined)	Upstream (Unlined)	Downstream (Lined)

The Mineral Resource and Ore Reserve (Table 3-8) statements for the 2020 Statements reported:

- Total Ore Reserves reported on an aggregate basis of 299.8Mt grading 1.87g/tAu with contained gold of 18.0MozAu and on an attributable basis of 260.8Mt grading 1.88g/tAu with contained gold of 15.7MozAu; and
- Total Mineral Resources reported on an aggregate basis of 643.9Mt grading 1.78g/tAu with contained gold of 36.9Moz and on an attributable basis of 568.1Mt grading 1.79g/tAu with contained gold of 32.6MozAu comprising:

- Measured and Indicated Mineral Resources (reported on an aggregate basis) of 491.1Mt grading 1.80g/tAu with contained gold of 28.4MozAu,
- Inferred Mineral Resources (reported on an aggregate basis) of 152.8Mt grading 1.75g/tAu with contained gold of 8.6MozAu.

Table 3-8: Mineral Resource and Ore Reserve Statements as at 31 December 2020

Property Development Status	Ore Reserves (100%)[1] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Mineral Resources (100%)[2] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Producing Properties						
Boungou Gold Mine	8.56	3.65	1,004	15.28	3.30	1,621
Houndé Gold Mine	46.29	1.74	2,584	76.24	1.70	4,159
Ity Gold Mine	53.89	1.58	2,745	95.03	1.48	4,524
Karma Gold Mine	5.48	0.90	158	64.22	1.25	2,577
Mana Gold Mine	14.23	3.10	1,418	55.43	2.08	3,709
Sabodala-Massawa Gold Mine	77.37	1.93	4,796	126.37	2.06	8,367
Wahgnion Gold Mine	26.42	1.61	1,367	49.35	1.51	2,402
Subtotal	**232.23**	**1.88**	**14,072**	**481.93**	**1.77**	**27,359**
Development Properties						
Fetekro Gold Project	31.98	2.07	2,133	32.85	2.40	2,537
Kalana Gold Project	35.60	1.60	1,829	50.55	1.57	2,547
Subtotal	**67.57**	**1.82**	**3,961**	**83.40**	**1.90**	**5,083**
Advanced Exploration Properties						
Golden Hill	-	-	-	24.10	1.83	1,421
Bantou	-	-	-	51.11	1.37	2,245
Nabanga	-	-	-	3.40	7.69	841
Subtotal	**-**	**-**	**-**	**78.61**	**1.78**	**4,507**
Total	**299.80**	**1.87**	**18,034**	**643.93**	**1.78**	**36,950**
Attributable	**260.77**	**1.88**	**15,724**	**568.15**	**1.79**	**32,635**

(1) Ore Reserves are reported assuming a LTGP of US$1,300/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine and the Development Properties for which a LTGP of US$1,500/oz is assumed.

(2) Mineral Resources are reported assuming a LTGP of US$1,500/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine which assumes a LTGP of US$1,700/oz and the Golden Gill AEP which assumes a LTGP of US$1,800/oz.

As at 31 December 2020, the Group's overall land holding position extended over a total area of 17,877km^2 (Table 3-9) representing a total of 111 licenses and Permits. Of these 111 licences, 102 are active with the remaining 9 under review or pending approval of recent applications. The later licences comprise the Bantou AEP, the Nabanga AEP and various licences relating to Miminvest, Houndé Belt Exploration, Mana Exploration and Boromo Goren Exploration.

All of these are situated in West Africa with in-country distribution reflected as follows: Burkina Faso (49%); Côte d'Ivoire (32%); Senegal (9%); Mali (5%); Guinea (2%); and Niger (4%). The group's equity interest in the land holding positions are held via either wholly owned subsidiaries, entities in which the various states/government hold a minority interest and in joint venture arrangements with third parties. Approximately 9 of the licences/permits are either pending/expired.

Table 3-9: Group land holding position

Mineral Assets	Country	Licences/Permits Total (No)	Equity (%)	Area Total (km^2)
Operating Properties				
Boungou Gold Mine	Burkina Faso	1	90.00	29.06
Houndé Gold Mine: HGO	Burkina Faso	1	90.00	23.20
Houndé Gold Mine: BDGO	Burkina Faso	1	90.00	5.37
Ity Gold Mine: SMI	Côte d'Ivoire	1	85.00	25.00
Ity Gold Mine: SMD	Côte d'Ivoire	1	85.00	13.20
Ity Gold Mine: SMF	Côte d'Ivoire	1	90.00	49.50
Karma Gold Mine	Burkina Faso	1	90.00	55.01
Mana Gold Mine	Burkina Faso	1	90.00	76.88
Sabodala-Massawa Gold Mine: SDGO	Republic of Senegal	1	90.00	291.20
Sabodala-Massawa Gold Mine: MGO	Republic of Senegal	1	90.00	320.20
Wahgnion Gold Mine	Burkina Faso	1	90.00	89.08
Subtotal		**11**		**977.70**
Development Properties				
Fetekro	Côte d'Ivoire	1	80.00	249.80
Kalana	Republic of Mali	1	80.00	387.00
Subtotal		**2**		**636.80**
Advanced Exploration Properties				
Golden Hill	Burkina Faso	3	100.00	467.98
Bantou	Burkina Faso	5	90.00/81.00	985.42
Nabanga	Burkina Faso	4	90.00	657.53
Subtotal		**12**		**2,110.93**
Exploration Properties				
Bransan	Republic of Senegal	3	93.29	337.87
Sounkounkou	Republic of Senegal	1	100.00	291.70
Massawa	Republic of Senegal	1	100.00	286.10

Mineral Assets	Country	Licences/Permits Total (No)	Equity (%)	Area Total (km^2)
Afema	Côte d'Ivoire	4	100.00	1,404.20
Miminvest	Côte d'Ivoire	3	100.00	1,171.70
Wahgnion	Burkina Faso	5	100.00	920.02
Houndé Belt Exploration	Burkina Faso	11	100.00	1,095.55
Mana Exploration	Burkina Faso	7	100.00	994.72
Sarama JV	Burkina Faso	5	80.86	680.84
Boromo Goren Exploration	Burkina Faso	13	100.00	1,574.86
Diapaga Belt Exploration	Burkina Faso	5	100.00	792.57
Banfora Belt Exploration	Burkina Faso	2	100.00	256.36
East Côte d'Ivoire Belt	Côte d'Ivoire	2	100.00	700.00
LMCI Exploration	Côte d'Ivoire	7	100.00	1,701.15
MET CI Exploration	Côte d'Ivoire	3	100.00	493.91
Kofi Block Exploration	Republic of Mali	4	100.00	280.97
Bluebird Exploration	Republic of Mali	1	100.00	75.00
Kalana Exploration	Republic of Mali	2	100.00	120.80
Guinee Conakry	Guinea	5	100.00	280.32
Niger	Republic of the Niger	2	70.00	693.40
Subtotal		**86**		**14,152.04**
Total		**111**		**17,877.47**

3.4 Legislative Environment

The following section provides an overview of the legislative environmental in which the Group operates with specific focus on the countries relating to the Operating Properties, the Development Properties and the Advanced Development Properties.

The West African countries in which the Group operates have implemented new legal frameworks and mining codes over recent years to promote the development of the mining industry, recognising it is a driver of economic growth. Minerals law includes environmental, social and governance ("**ESG**") provisions and compliance with environmental legislation. Permitting processes have been integrated and streamlined. Government revenues are generated through a mix applied corporate income taxes, competitive royalties, permit fees and joint ownership agreements. Mining conventions are agreed between mining companies and government. These relate to specific permits and include agreements on government revenues and tax stabilisation, other obligations of both parties and reporting.

3.4.1 Regional Law Directly Influencing National Mining Legislation

The minerals laws of the Group's host countries have been influenced by regional initiatives. Notable among these are initiatives of the West African Economic and Monetary Union ("**WAEMU**") and the Economic Community of West African States ("**ECOWAS**"). Burkina Faso, Côte d'Ivoire, Senegal and Mali are all members of WAEMU and ECOWAS.

The WAEMU's 2003 Regulation concerning the adoption of the Community Mining Code of WAEMU (Regulation 18/2003/CM/WAEMU) standardised the mining legislation in member states. The regulation is directly enforceable, it does not need to be transposed into the legislation of the member states to be applicable and is binding in its entirety. This WAEMU Mining Code aims to create conditions favourable for mining investment and to promote sustainable mining. It establishes a need for permits for exploration and exploitation, the requirement to undertake an environmental assessment to inform the decision on the exploitation permit, the need to create a local mining company to mine and caps the free-carried interest of the State at 10%. The code also covers diversification of mining outputs and local beneficiation of minerals; co-existence of industrial mines and artisanal mining; improvement of infrastructure; and enhancement of the economic and social benefits of mining.

ECOWAS introduced a Mining Directive in 2009 that has been transposed into the legislation of its 12 member states, transposition was required by July 2014. The ECOWAS Community Court of Justice ensures its application. The directive harmonises policy and guiding principles in the mining sector and aims to create a mining environment favourable to sustainable macroeconomic development. Key themes in the directive are: minerals as State resources; protection of the environment; protection of national interest; improving access to information,

fostering subscription to the Extractive Industry Transparency Initiative ("**EITI**"); respect for and promotion of recognized human rights, protection of the local community rights; dispute resolution; and institutional and implementation arrangements.

Both WAEMU and ECOWAS intend to align and add to the above-mentioned initiatives to strengthen governance in the mining sector and to further support benefits from mining for local communities. New law is likely to include an increased focus on: human rights; health and safety; environmental management and climate risk; and positive social impacts. It is expected the law will also include mechanisms for increasing the potential for national private companies to acquire participating interests in mining companies and changes to stabilisation clauses including trimming down their scope and limiting their duration further. The law may also cover rules governing subcontracting.

3.4.2 Extractive Industry Transparency Initiative

The Group's host countries are EITI members and their respective mining codes provide for observation of the principles and requirements of EITI. Under this initiative, both holders of mining titles and the State must report on payments made to the State/ received by the State to EITI national bodies.

Côte d'Ivoire and Mali joined the EITI in 2006, Burkina Faso in 2008 and Senegal in 2013. These countries are classified as "*making progress*" towards meeting the EITI standard by the EITI Board, based on information from regular validation processes. Senegal is a step ahead as it is currently classified as making "satisfactory progress".

The Group's host countries are relatively up to date with their EITI reporting; the latest reports cover 2019 (Senegal and Burkina Faso, dated November 2020 and February 2021 respectively) or 2018 (Mali and Côte d'Ivoire, dated December 2020 and November 2020 respectively). EITI implementing countries are increasingly making the information required by the EITI Standard available through government and corporate reporting systems (such as databases, websites, annual progress reports, portals), rather than relying on the EITI Report, to bring about transparency.

3.4.3 Burkina Faso

Mining legislation in Burkina Faso is directly linked to the Constitution of Burkina Faso (1991, as amended) and environment legislation. Under the Constitution, the natural resources are governed by the state in the interests of the people of Burkina Faso. Mining legislation regulates how rights to explore and mine minerals are granted and requires that holders of these mineral rights protect the environment and respect human rights.

Exploration and Exploitation Permits and Agreements

Mineral rights are granted in Burkina Faso in the form of exploration and exploitation permits and authorisations for quarrying and artisanal mining. The rights are now granted under the 2015 Mining Code (Law 036-2015) (the "**2015 Mining Code**"), which replaced the 2003 Mining Code (Law 031-2003).

Exploitation permits are granted by the Council of Ministers after consultation with the Minister of Mines and the National Commission. An exploitation permit for a large-scale mine is referred to as a "*industrial exploitation permit*" or "*industrial operating permit*" (depending on the translation of the term used in the Code, which is "*permis d'exploitation industrielle*"). An industrial exploitation permit is valid for a 20-year period. It is then renewable for consecutive periods of five years until the relevant deposits are exhausted.

An exploitation permit is coupled with an agreement between the government and the permit holder referred to as a "*mining convention*".

The Mining Code enables state acquisition of additional equity if it reaches an agreement with the investor. The state's dividend must be paid before any other allocation of the distributable profit. The holder of an exploitation permit must set up a legal entity governed by Burkinabé law and have its registered office in Burkina Faso. An application for an exploitation permit must include:

- A draft mining convention to be signed with the state;
- A commitment to grant the state 10% free equity participation in the company holding the exploitation permit;
- A feasibility study that includes an explanation of how the mining development will contribute to the economy, upstream and downstream;
- A training and promotion plan for local managers and staff;
- Evidence of environmental approval; and
- A mine closure plan.

Other notable mining legislation relevant to large-scale mines includes:

- Decree 2017-023, which covers mining taxes and royalties;
- Decree 2017-024, which covers the local development fund;
- Decree 2017-0035, which presents the model mining convention;
- Decree 2017-036, which covers management of mining titles and authorisations;
- Decree 2017-068, which covers closure planning and provisions;
- Decree Scheduling Transactions Applicable to Offenses Committed in Violation of the 2018 Mining Code;
- Decree 2015-1200, which covers environmental audits; and
- Law 2017-028/AN on trade of gold and other precious minerals in Burkina Faso.

Environmental and Social Obligations of Mineral Rights Holders

The 2015 Mining Code requires compliance with environmental and land legislation and provides for gains in the country's human and social capital from exploitation of the country's mineral wealth. Under the Mining Code, holders of exploitation permits must make annual contributions to three funds. The contributions are tax free. The funds are:

- A local development fund (Article 26);
- A rehabilitation and closure fund (Articles 27 and 141); and
- A research and training fund (Article 29) - for financing geological and mining research and supporting training in the earth sciences.

The local development fund is financed by both the state (20% of the collected proportional royalties) and exploitation permit holders (1% of turnover before tax). It is administered jointly by the Ministry of Mining and the Ministry of Finance. The fund for financing geological and mining research and supporting training in the earth sciences is funded by 15% of proportional royalties, surface taxes, fixed fees and fees for application for approval to purchase and of gold sales collected.

In addition to the above, the Mining Code requires that a feasibility study for an industrial exploitation permit application must define a plan for anchoring the activity of the mining company to the local and national economy. This must indicate the economic links upstream and in downstream with businesses and economic agents as well as spill over effects.

Furthermore, the Mining Code promotes preferential local employment and procurement (Article 102). Both holders of mineral rights and their suppliers (service providers and subcontractors) must preferentially employ Burkinabé executives. Applications for exploitation permits must include plans to support the progression of local managers and staff and to progressively replace expatriates (Article 41).

The Mining Code requires respect for human rights (Article 19). Under Article 120, the exploration, research or exploitation of mineral substances cannot be undertaken without the consent of affected communities.

Landowners or occupiers have a right to fair compensation prior to land disturbance by mining (Article 123). Affected authorised miners are also entitled to compensation.

The Code provides for authorisation of artisanal mining (Articles 71 to 83). Artisanal mining authorisations (valid for 2 years) will not be renewed where exploitation permits are awarded. Health and safety aspects of mining activities are regulated by the Code and regulations made under the Code. Environmental aspects are more specifically regulated by the Environmental Code and its implementing regulations. Award of an exploitation permit is dependent upon environmental approval from the Ministry for the Environment (Article 41).

Exploitation permit holders are required to undertake environmental management system audits (Article 139 of the 2015 Mining Code and Decree 2015-1200 on Conditions of Environmental Audits). The audit reports must be submitted to the minister in charge of the environment for approval. The technical services of the mining administration also have free access to the mining sites to carry out necessary checks and inspections. Failure to comply with the obligations in the Mining Code can result in fines or even withdrawal of the permit.

The sustainable development requirements in the Mining Code mirror those in many neighbouring countries. The Code implements requirements of the Economic Community of West African States Directive No. C/DIR3/05/09 dated 27 May 2009 that aims to harmonise policies in the mining sector and the West African Economic and Monetary Union mining code regulation (Regulation 18/2003/CM/WAEMU dated 23 December 2003).

Closure Requirements

Annual contributions to a rehabilitation and closure fund are required as mentioned in the preceding section (See Environmental and Social Obligations section above). These contributions are based on the closure cost estimate divided by the years of operational life. The exploitation permit holder is required to open and maintain an account trustee at the Central Bank of West African States or in a commercial bank in Burkina Faso to set up the fund for rehabilitation and closure.

Decree No. 2017-068 requires that closure plans and cost estimates are updated annually and submitted to a government technical committee for review. The committee is formed by the Minister of Mines, the Minister of the Environment and the relevant local authorities. At least one year before the end of the exploitation activity a final plan and costs must be submitted. The decree repeals previous legislation on funding rehabilitation and closure.

Environmental Approvals

To develop a mine in Burkina Faso, environmental approval must be obtained under the Environmental Code (Decree 006-2013) and based on an ESIA process. The ESIA process includes a public enquiry. The ESIA report must be accompanied by an Environmental and Social Management Plan, including a resettlement action plan where required and a rehabilitation and closure plan. The environmental licence is issued is the project is deemed environmental and socially acceptable and the licence decision is based on the ESIA report

and supporting ESMP.

The Decree on Environmental Assessment Procedures (Decree 1187-2015) presents the requirements for assessment and approval processes and the content of reports and plans. Mining operations are subject to regular environmental inspections (Articles 39 and 44) and must submit annual environmental reports (Article 41). Operating permits (such as industrial exploitation permits) may be suspended or withdrawn by the administration (Article 79) if there is persistent nonconformance. The Code also provides for taxation of polluting activities, products and facilities (Article 67), levied through annual fees defined in discharge and emission permits (Article 75).

Administration of ESIA processes and enforcement of compliance with environmental approval conditions is undertaken by the National Office of Environmental Assessments ("**BUNEE**") within the Ministry of the Environment, Green Economy and Climate Change ("**MEEVCC"**). The ESIA and approval processes need to consider minerals law, law on surface rights and other environmental legislation including:

- The Framework Law on Water Management (002-2001), the Decree on Discharge of Pollutants (185 - 2001) and the Decree on Water Discharge Standards (Decree No. 1205-2015);
- The Decree on Environmental Inspection (1203-2015);
- The Codes on Sanitation (Decree No. 022-2005) and Public Health (Decree 1994-023);
- The Forest Code (Decree No. 003-2011); and
- The Decree on Protection of Cultural Heritage (Decree No. 024-2007).

Surface Rights

Until 2009, most rural land in Burkina Faso was state-owned and customary systems of land ownership were not recognised. The 2009 Act on Rural Land Tenure changed this situation; it recognizes customary rights and seeks to formalize existing customary practices and rules to make them more compatible with modern economies and production systems.

The 2012 Act on Agrarian and Land Reform addresses requires compensation for involuntary physical and economic displacement of people and sets out compensation rules (Article 323). Both Acts provide for decentralisation of land administration. The latter Act provides for the establishment of a rural land service at the local authority and defines its attributes (Article 163). This land service is yet to be fully established in many local jurisdictions.

The 2015 Mining Code states that landowners or occupiers have a right to fair compensation prior to land disturbance by mining (Article 123). Affected authorised artisanal miners are also entitled to compensation.

3.4.4 Côte d'Ivoire

Mineral rights are granted in Côte d'Ivoire in the form of exploration and exploitation permits and authorisations for prospecting, semi-industrial and non-industrial (artisanal) mining, and quarrying. They are granted under the 2014 Mining Code (Law No. 2014-138 of 24 March 2014).

Exploitation permits are granted by the Council of Ministers after consultation with the Minister of Mines and the Mines Administration. An exploitation permit is valid for the life of the mine as defined in the feasibility study, with a maximum duration of 20 years. It is renewable for consecutive periods of a maximum of 10 years until the relevant deposits are exhausted.

An exploitation permit is coupled with a mining convention. This is an agreement between the State and the permit holder. It must be reached within 60 days of issue of the permit, is valid

for 12 years, which is not necessarily for the same period as the exploitation permit and is renewable for successive periods of a maximum of 10 years. It usually includes terms applying to stabilisation of mining taxes and customs and can also include other rights and obligations.

The following legislation is also relevant:

- Decree 2014-397, on implementing the Mining Code;
- Decree 2014-632, which relates to fixed fees;
- Ordinance 2014-148, which relates to fees, royalties and mining taxes; and
- Ministerial Decree 002/MIM/CAB of January 11, 2016 which relates to the grant and the renewal procedures of mining titles.

An application for an exploitation permit must include, amongst other documents, a feasibility study which includes, without being limited to (Article 28 of 2014 Mining Code):

- Definition of reserves, plans for processing and exploitation;
- A mine construction programme that specifies the work, equipment, facilities and supplies required, CAPEX and OPEX estimates and financial projections for the exploitation period;
- An environmental and social impact assessment ("**ESIA**") and an environmental and social management plan ("**ESMP**"), including a closure plan (Articles 141, 142 and 144 of 2014 Mining Code);
- A community development plan; and
- Any other relevant information to the feasibility and financing of the project.

The ESIA and ESMP must be approved by both the Mining Administration and the Environmental Administration. The holder of the exploitation permit is obliged to implement the approved ESMP (Article 142 of 2014 Mining Code). Under the Mining Code, holders of exploitation licences must make financial contributions to:

- A fund dedicated to the implementation of socio-economic development projects for local communities (Article 124);
- A fund dedicated to training of both officials of the Mining Administration and Ivorian geologists and mining engineers (Article 135); and
- An account for rehabilitation and closure costs, which must be held with an Ivorian financial institution (Article 144).

The above financial provisions are recorded as costs when determining the tax base for business profits. The community development plan must be developed in consultation with local communities and local administrative authorities (Article 124). The plan must have precise goals and an investment plan. Financial provisions made by the mine for community development are used under the direction of a Local Development Committee set up by the government, specifically the Mining Administration.

The State is entitled to 10% free participation in the share capital of each exploitation company. Additional State participation is limited to 15% and may be negotiated at market conditions. The State encourages holders of mining titles to favour the participation of Côte d'Ivoire nationals in the capital of mining companies (Article 8).

The Mining Code promotes preferential local employment and procurement (Articles 131 and 134). To achieve this, the holder of the exploitation permit is required to undertake training of Ivorian employees and small and medium enterprises (Articles 132 and 134). Both holders of mineral rights and their suppliers (service providers and subcontractors) must preferentially employ Côte d'Ivoire nationals.

The Mining Code requires respect for good governance principles (Articles 117 to 120) and human rights (Articles 121 to 123). In the case of good governance principles, it specifically refers to the Equator Principles and the principles and requirements of the EITI. The reference to the Equator Principles suggests a requirement to comply with the International Finance Corporation ("**IFC**") Performance Standards.

Lawful occupiers of land have a right to fair compensation prior to land disturbance by mining (Articles 127 and 128). Decree 2014-397 sets the terms of land-related compensation (Articles 133 and 134). Article 133 states that further terms will be covered in a joint order of the Minister of Mines, the Minister of Agriculture and the Minister of Lands.

Health and safety rules must be developed before starting exploration or exploitation operations, by the holder of the mining title. The safety of mine personnel and goods must be ensured by taking several measures, the details of which are provided by the decree implementing the Code. Any accidents occurring during mining activities must be reported in writing to the Minister of Mines and appropriate measures must be taken to avoid future accidents of the same kind (Articles 137 to 139).

Environmental Approvals

Environmental protection is enshrined in the Constitution (2016), the Environment Code (Law No. 96-766 of October 3, 1996) and Law No. 2014-390 of 20 June 2014 on Guidance for Sustainable Development. Environmental matters are administered by the Ministry of Environment and Sustainable Development, the affiliated National Environmental Agency ("**ANDE**"), and the Ministry of Water and Forests. ANDE is responsible for the review and approval of EIA reports and monitoring of the environmental performance of operations. (While the term EIA is used in Ivorian environmental legislation, ESIA is used in the mining legislation.)

Environmental legislation pertinent to mines is presented in Table 3-10. In addition to these national laws, Côte-d'Ivoire has signed and ratified around forty international treaties/ agreements on the environment, affecting the direction and content of national policy.

The Environment Code requires that all projects defined by Decree No. 96-894 are subject to an EIA prior to authorisation and specifies the minimum requirements for an EIA. The EIA decree (Decree No. 96-894 of November 8, 1996) further defines the requirements and procedures for an EIA process. The procedure to obtain an EIA authorisation is outlined below. The decree makes use of national expertise to conduct the EIA compulsory; at least two-thirds of the EIA team must comprise national experts/consultants.

The EIA must include a financial estimate of the measures recommended to prevent, reduce or compensate for the negative effects of the project on the environment and regular monitoring and control measures of relevant environmental indicators (Article 41 of Environment Code)

Table 3-10: Côte d'Ivoire environmental legislation

Primary License	Legislative Framework	Institutional Framework
Environmental assessments	• Law No. 96-766 of October 3, 1996 on the Environmental Code • Decree No. 96-894 of November 8, 1996 on the EIA procedure • Order No. 972 of 14 November 2007 relating to Decree No. 96-894 • Decree No. 98-43 of January 28, 1998 on the classified installations for environmental protection • Decree No. 2005-03 of 6 January 2005 on environmental audits • Order No 973 of 14 November 2007 on application of Decree No. 2005 -03.	MINEDD ANDE Ivorian Centre for Antipollution (CIAPOL)
Water	• Law No. 98-755 of December 23, 1998 on the Water Code	Ministry of Water and Forests
Land	• Law No. 98-750 of December 23, 1998 on the Land Code	Ministry of Territorial Administration and Decentralisation
Biodiversity	• Law No. 65-255 of August 4, 1965 on the protection of wildlife and hunting, amended by the Law No. 94-442 of August 16, 1994 • Law No. 64-490 of December 21, 1964 on the protection of flora	MINEDD
Forestry	• Law No. 2019-675 of 23 July 2019 on the Forestry Code	Ministry of Water and Forests

Environmental monitoring by ANDE is undertaken through environmental audits. In accordance with Decree No. 2005-03 of 6 January 2005, audits are required every three years and must be

undertaken by approved external auditors. Installations are required to pay a fee to cover the technical review of the EIA and environmental monitoring. According to Order 972 of 14 November 2007, the cost is CFA30 million per year (in the case of mining operations).

Some mining projects may also be categorised as classified installations as defined by Decree No. 98-43 of 28 January 1998 and must obtain an Environmental Compliance Order from MINEDD before starting any exploiting activity. According to the Law No. 98-755 of December 23, 1998 on the Water Code, following the environmental authorisation, the proponent is able to apply for water use authorisation from the Ministry of Water and Forests. The Code also requires any discharge of wastewater into the receiving environment to comply with the standards in force.

Surface Rights

Land on Ity Gold Mine concessions (Ity/PE 26 and Daapleu/PE 49) and the new Floleu exploitation permit area that has been applied for is subject to customary land tenure systems. The Constitution (2016) recognises customary land tenure, as did the previous Constitution (2000). Land and mining legislation do too. The following legislation applies where occupation of land for mining necessitates displacement of people living on and using the land:

- Law 98-750 relating to rural land;
- The 2014 Mining Code (Law 2014-138) – Articles 133 and 134;
- Decree 2014-397 on the interpretation of the Mining Code;
- Decree 2014-25 and Decree 2013-224 on the purging of customary rights on the ground; and
- Orders fixing the scale of compensation.

3.4.5 Mali

Mining in Mali is administered by the Ministry of Mines, the Mines and Geology National Department and the Mines Authority. Mali has a New Mining Code, but it is not enforced yet.

Mali's New Mining Code was approved by means Ordinance 2019-022/P-RM dated 27 September 2019 but the supporting legislation need for enforcement is still being prepared. The 2012 Mining Code (Law No. 2012-015 of 27 February 2012) and Decree No. 2012-311/PRM implementing the mining code are still in effect. Exploitation permits granted under the 2012 Mining Code are exempt from the changes until the end of their 30-year period.

The 2012 Mining Code includes the requirements specific to health, hygiene and safety (Chapter 2), environment and heritage (Chapter 3) and community development (Chapter 4). Non-compliance with these requirements can result in withdrawal or cancellation of the exploitation permit (Article 19), as is the case for suspension of mining activities by the operating company and failure to pay tax, fees and royalties. The requirements apply to all holders of exploitation licences, even those under earlier mining law (Order 91-065/P-CTSP of 19 September 1991 and Order 99-032/P-RM of 19 August 1999) (Article 173).

The 2019 New Mining Code reduces the duration of a large-scale exploitation permit to 12 years (as opposed to 30 years under the 2012 Mining Code) but retains the renewal periods of 10 years until depletion. It increases the exploration-permit renewal period to 3 years, from 2 years, but does not allow more than two renewals. It also introduces a modified stabilisation period of 20 years, reduced from 30 years to redress a perceived imbalance in mineral taxes. Furthermore, the New Mining Code requires contributions to two mining funds. One fund is for exploration, the promotion of mining activities and training in the earth sciences. The other fund is for local development (supported by contributions from royalties collected by government and

payments made by mining companies).

Like the 2012 Mining Code, the New Mining Code requires an agreement, called an "*Establishment Convention*", to be established between the State and the holder of the exploration and exploitation permit. This agreement defines all conditions that will apply to exploration and exploitation, including work obligations, reporting and taxes. An exploitation permit can only be held by a company incorporated under Malian law, with the Malian State entitled to at least a 10% stake free of any incumbrances. The State also has the right to an additional 10% participation.

To secure an exploitation permit, the applicant must submit a feasibility study, an environmental permit based on an ESIA process, an environmental and social management plan, a community development plan, a closure plan, and any additional information requested by the mining authority. The community development plan must be aligned with the socio-economic development plan of the three levels of local and regional authorities. Landowner consent must be obtained prior to mining and appropriate compensation must be provided where people are displaced by mining. Displacement must be undertaken according to a resettlement action plan.

With respect to closure, the New Mining Code introduces a requirement for an annual financial provision to an escrow account held at the Central Bank. The contributions will be based on a closure plan that must be published on the website of both the mining company and the Ministry of Mines. The closure plan must consider the possibility of resuming exploitation through subsequent discoveries, improved economic conditions or reprocessing.

Closure plans must include progressive rehabilitation during the life of mine, and ultimately must consider all elements of the mining infrastructure. The plans must include a holistic evaluation of risk into post-closure and put in place control strategies for as long as the risk-based measures deem appropriate. A final requirement at closure is that the operator demonstrate that soils and other materials have not been contaminated with any dangerous products.

Environmental Approvals

Environment falls under the remit of the Department of the Environment and Sanitation in Mali. For the mines, the lead authority is the Director of Cleansing and Control of Pollutions and Nuisances ("**DNACPN**") within the Environment and Sanitation Department. The DNACPN is also responsible for making decisions on the ESIA processes. Ministries with portfolios in energy, water, agriculture, industry and health also all have an interest in environmental management in mining. The ESIA comprises:

- Decree No. 03-594/P-RM – Rules and Procedures for Environmental Impact Assessment, 31 December 2003;
- Inter-Ministerial Order No. 2013-MEA-MATDAT-SG of 29 January 2013 setting the terms of the Public Consultation on ESIA;
- Decree No. 2018-0991 / P-RM of 31 December 2018 relating to the environmental and social impact assessment study and notice;
- Decree No 2018-0992 / P-RM of 31 December 2018 relating to the strategic environmental assessment; and
- Decree No. 2018-0993 / P-RM of 31 December 2018 relating to the conditions for carrying out the Environmental Audit.

The ESIA also needs to consider minerals law, law on surface rights and cultural heritage, and relevant environmental legislation including the Water Code (dating to 2002). There is an

intergovernmental authority responsible for the management of the resources of the 4,200km Niger River, referred to as the Niger Basin Authority. Mali is signatory to a convention that creates this authority. Responsibilities of the authority include protection of aquatic and riparian ecosystems and services and collection of royalties from water polluters. In the convention, member states are required to inform the Niger Basin Authority executive secretariat of projects they propose to undertake in the basin and abstain from work within their territories likely to pollute water or to modify in a negative way the flora and fauna of the river.

Surface Rights

The ESIA for the Kalana Project indicates that households that will need to move to make way for mining do not have land title at the land registry. Customary land tenure is recognised in Mali land legislation, which includes the Mali Land Code (Ordinance No° 00-27 / P-RM of March 22, 2000, amended and ratified by Law No. 02-008 of February 12, 2002) and the Law No. 2017-001 of April 11, 2017 relating to agricultural land.

The New Minerals Code classifies people who have customary land rights, recognised by the laws of the Republic of Mali, as landowners. This Code requires that landowner consent is obtained prior to mining and appropriate compensation is provided for displacement. It also states that the administration in charge of mines facilitates resettlement of populations whose presence on the exploitation sites hinders the exploitation works. This resettlement must be undertaken in accordance with the ESIA, a Resettlement Action Plan and a Report on Compensation and Resettlement Procedures. The expenses necessary for the displacement and resettlement of the populations are the responsibility of the holder of the exploitation permit.

3.4.6 Senegal

The regulatory authorities responsible for the primary approvals for mining in Senegal are:

- The Ministry of Mines and Geology ("**MMG**"), responsible for regulating the mineral industry through implementing mining policy and the Mining Code 2016, supported by regional services of Mines and Geology across the 14 regions of Senegal; and
- The Ministry for the Environment and Sustainable Development (known as "**MEDD**"), responsible for regulating the protection of the environment in accordance with the Environment Code 2001. The Division Environnement et de Establissment Classes ("**DEEC**") of the MEDD form a technical committee who inspect mining operations on a regular basis.

Exploration and Exploitation Permits and Agreements

The mining sector is governed by the Mining Code (Law No.27-2016 of 17 October 2016) and implementing Decree No. 2017-459 of March 20, 2017. The Mining Code constitutes the legal framework for the mining sector, provides for various types of mining titles and defines the conditions for obtaining them, the rights conferred by each type of title.

The Code provides for three main levels of mining title; an Exploration Permit (Permis de Recherche); an Exploitation Permit for small-scale mining (Permis d'exploitation), and a Mining Concession (Concession Minière) that allows the company to mine the property with significant tax incentives from the government. In each case, a mining agreement is entered into between the operator and the government of Senegal. The previous Mining Code (Law No. 2003-36 of November 24, 2003) and implementing decree (2004-647 of May 17, 2004) remain applicable to mining agreements signed before March 20, 2017.

The issuance of a mining permit confers the following rights on a holder (Article 27):

- The exclusive right to mine the substances for which the mining permit was granted, within

the limits of the perimeter allocated, and to an indefinite depth;

- The right to renewal of the mineral title in accordance with the provisions of the Code;
- A right to occupy the land needed for carrying out the mining operations;
- The right to assign, transmit or lease its mining permit, on the condition that the prior authorization of the Minister of Mines is obtained and the fixed duties and taxes due are paid;
- The right to renounce its rights, in whole or in part, on the condition that one year's notice is given and subject to the stipulations in the mining agreement;
- The right to transport the substances extracted, in accordance with the legislation in force, and their concentrates or derivatives, to the points of storage, processing or loading, and to dispose of them on domestic and foreign markets; and
- The right to stability of the fiscal and customs terms and conditions for the mining operation, in accordance with the stipulations of the mining agreement.

A mining permit is issued by decree, for no less than five years and no more than 20 years and is renewable. A mining permit may be renewed for one or more periods, in the same forms, until the deposit is exhausted (Article 24). The allocation, renewal, extension or transformation as well as the transfer, transmission or lease of mining exploration and exploitation titles are subject to the payment of fixed entry fees, (Article 74), surface royalties (Article 75) and mining royalties (Article 77).

The proceeds of mining revenue are divided among the general budget of the State, the Support and Equalization Fund for local communities (20% of revenue) and the Mining Sector Support Fund (20% of revenue) (Articles 112, 113 and 114).

Environmental and Social Obligations of Mineral Rights Holders

The Mining Code requires permit holders to protect the environment and comply with environmental legislation.

According to Article 102, every applicant for a mining permit must carry out an environmental impact study prior to starting up its activities, and implement the environmental management plan, in accordance with the Environmental Code and the associated decrees and orders. Article 94 of the Mining Code requires a mining title holder to respect and protect human rights in the areas affected by mining operations, in accordance with the national legislation and international conventions, and particularly prohibiting child labour.

In addition to the funds listed above, holders of mining titles must make annual financial commitments into the Local Development Support Fund. The purpose of this fund is to contribute to the economic and social development of local communities located in the areas in which mining companies operate. The activities to be carried out must be defined in a local development plan that is consistent with national local development plans and in cooperation with the populations and the administrative and local authorities and must incorporate projects to enhance women's autonomy. For holders of mining titles, the annual value of the financial commitments is 0.5% of annual pre-tax revenue (Article 115).

Regarding employment, mining title holders and their sub-contractors are required to:

- Give preference, where qualifications are equal, to Senegalese personnel;
- Implement a Senegalese personnel training and promotion plan at the company to be used in all phases of mining activity;
- Promote equal employment opportunities as between women and men in the occupational

sphere; and

- Guarantee pay equity as between female and male employees with equal qualifications.

In addition, mining title holders and their suppliers and subcontractors are required to use services and material of Senegalese origin wherever possible, where such services and products are available on competitive terms regarding price, quality, guarantees and delivery times (Article 85).

Article 105 requires mining titles issued in forested areas to comply with the provisions of the Forestry Code.

Closure Requirements

Articles 103 and 104 of the Mining Code require mining title holders to rehabilitate the sites covered by its mining title and make regular contributions to a trust account to create a fund to cover the cost of implementing the environmental management plan, including the rehabilitation programme.

Environmental Approvals

The Environmental Code (Law 2001-01 of 15 January 2001) requires any development project or activity likely to harm the environment to be the subject of an environmental assessment carried out in accordance with the Environmental Code and supporting decrees. For mining projects, the environmental assessment is to be conducted in the form of an EIA, which must be validated prior to issue of a mining title. The validation of the assessment is entrusted to a Technical Committee made up of the Ministries and other structures concerned by the impact study.

The Environmental Code is supplemented by the following decrees, dated November 2001, relating to:

- The content of the terms of reference for impact studies (order no.009471);
- The conditions for issuing approval for carrying out EIAs (Order No. 009470); the
- Content of the EIA report (Order No. 009472);
- The regulation of public participation in the EIA (Order No. 009468); and
- Organization and functioning of the Technical Committee (order No. 009469).

The Environmental Code is currently being revised to strengthen the provisions relating to the environmentally sound management of extractive resources. These provisions are likely to include regular audits of closure plans and publication of environmental and social management plans and compliance monitoring reports.

Surface Rights

The Senegalese Mining Code confers rights and obligations on mining permit holders for the occupation of land inside and outside the lease perimeter (Article 90). The right of occupation entails the authorization to conduct exploitation works and related activities, including all infrastructure works and operations for mine development.

Compensation is governed under Article 93 of the Mining Code, which requires the mining title holder to fairly compensate other land users for any loss or damage sustained by the occupation of land. The amount of the compensation to be paid is determined in accordance with the legislation in force.

3.5 Sustainability

3.5.1 Approach

The Group's stated mission is to create a resilient gold producer that rewards its shareholders and is a trusted partner to host countries and communities. The "trusted partner" element of this statement focuses on supporting host countries and communities through:

- Employment and training;
- Local procurement and economic development;
- Transparent taxes and government ownership; and
- Environmental stewardship.

The listed commitments match the expectations of host governments, which are reflected in minerals law, permits and agreements. The Group intends to become a recognised leader in environmental, ESG amongst peers and investors and to provide consumer confidence that the gold is ethically sourced. With the acquisition of Semafo and Teranga, the Group is reviewing and refining the policies, standards and practices across the Group and consolidating performance data. The Group has made voluntary commitments to several international sustainability standards as outlined below.

The Group is a member of the World Gold Council and is implementing the Responsible Gold Mining Principles, which were launched by the Council in September 2019. Assurance of Endeavour's conformance with the principles is being obtained in a stepwise manner. Achievement of full conformance is scheduled for H1 2023 for legacy assets.

The Group discloses its ESG performance through:

- Application of GRI Sustainability Reporting Standards in its annual sustainability reports (2017 to 2020);
- Participation in the Carbon Disclosure Project global disclosure system, with the first disclosure questionnaire having been completed in 2019; and
- The Extractive Industries Transparency Initiative by making the necessary disclosures to host-country governments.

Additional disclosure mechanisms have recently adopted by Endeavour so that the Group will also be reporting in line with the:

- The Sustainability Accounting Standards Board Standards to its annual sustainability reporting;
- The Mining Shared Value Local Procurement Reporting Mechanism disclosure initiative; and
- The Task Force for Climate-Related Financial Disclosure.

Other international standards that the Group considers in its ESG practices are:

- ISO management systems standards;
- The International Cyanide Management Code ("**ICMC**");
- The Voluntary Principles Initiative on Security and Human Rights;
- The Women's Empowerment Principles; and
- The IFC Performance Standards on Environmental and Social Sustainability.

The Group's policies and management systems support the Group's ESG commitments. All operations are aligning their occupational health and safety management systems with the ISO 45001:2018 standard and their environmental management systems with the ISO 14001:2015 standard. Third party quantifiable audits against ISO 45001:2018 are scheduled for 2023.

The Group is not signatory to ICMI, but it has committed to follow this Code. Most of the operations have been audited by an accredited auditor and corrective actions are being implemented.

Security practices at the Group are reportedly in line with the Voluntary Principles Initiative and, in 2021, the Group will commence the process to become formal members of this initiative, which usually takes around three years.

The Group has a human rights policy that commits to the United Nations Guiding Principles on Business and Human Rights ("**UNGPs**"). The Group expects its suppliers to comply with this policy, as well as international human rights and diversity legislation and standards and to actively defend and support human rights by prohibiting and sanctioning human rights abuses within their operations.

Stakeholder engagement is recognised as being central to ESG risk management and maintaining a social licence to operate. All operations engage with local communities on an ongoing basis. Grievance and whistleblowing mechanisms are in place. Whistleblowing can occur anonymously through submission boxes at mine sites or through a hotline (reverse charge phone number or e-mail address). A Group Community Engagement Policy has been developed and is being implemented.

The Board of Directors has ultimate responsibility and accountability for the Group's ESG performance. The Board is assisted by a Board ESG Committee and a management level ESF Committee with overseeing of practice and performance in areas of safety, health, stakeholder relationships, environmental management, governance compliance and other sustainability issues. The ESG Committees advises and makes recommendations to the Board on ESG issues.

3.5.2 Local Employment and Procurement and Community Development

Local employment and procurement are key elements of the Group's mission as noted above.

The Group is committed to recruiting over 90% of its workforce nationally. Expatriates have two-year contracts and are obliged to identify and train national employees who will ultimately replace them. The Group reports that, in 2020, 95% of its employees were nationals and 31% were from local communities. Furthermore, 65% of senior management was West African, 48% were nationals, and 3% were from our local communities. In 2021, the Group aims to further increase the percentage of nationals in leadership roles.

Local employment and procurement are facilitated by means of candidate and training programmes covering work skills, life skills and small business development.

Priority is given to local suppliers of goods and services, provided they are competitive (cost, delivery, and quality). Relevant goods and services include cement, chemicals, construction, electrical, energy, engineering, equipment and parts, exploration drilling, explosives, fuel, mining contractors and transportation. A database has been established to monitor local procurement.

The Group reports that in 2020 in-country procurement accounted for 74% of its overall expenditure and totalled US$722m. The Group states it is reviewing procurement processes to identify how to adapt practices to better support local businesses. One example is consideration for a preferential mechanism of payment which will facilitate smaller businesses collecting their receivables or receiving advance payment for their goods and services.

Suppliers are expected to comply with the Group's policies and standards, particularly in the key areas of human rights, health and safety, ethical business conduct, labour management and environmental stewardship. This requirement is included the group's Supplier Code of

Conduct and in tendering processes and contract documentation. The Group reports that it designed and implemented a third-party due diligence program, with GAN Integrity, in 2020.

Endeavour is also working on youth development and employment within the company and broader community and empowering women to apply for job opportunities in fields not traditionally seen as female occupations.

In addition to making mandatory contributions to the local development funds, the Group makes voluntary investments. In 2020, its mandatory contributions totalled US$16m and its voluntary investments amounted to US$8.39m. The local development funds are used to finance the implementation of community-approved three-year local development plans focused on improvement of local infrastructure, living conditions and the socio-economic growth. The Group's additional voluntary investments aim to support local business development, coupled with access to micro-finance, education, water and health. The Group also provides financial and in-kind support for cultural, religious and sporting events.

3.5.3 Climate Action

The Group calculates its Scope 1 and 2 emissions and will discloses these in its sustainability reports and via the annual CDP Climate Change questionnaire. The Group is developing a climate change strategy and has engaged Deloitte to assist with setting of 2030 emissions reductions targets. Opportunities to use renewables at the various operations are being identified. A Task Force on Climate-Related Financial Disclosures statement n included in the Group's 2020 Sustainability Report.

To gain a greater understanding of long-term climate risks, the Group will undertake a climate change risk assessment across sites during 2021 and 2022. The Group is also looking at opportunities to reduce emissions. For example, solar farms are being considered at the Houndé Gold Mine and the Fetekro Development Property.

The Group's total emissions in 2020 were 506,533t of CO2-e. Scope 1 emissions, which are direct emissions such as fuel used in mining equipment and the burning of fuel at on-site power plants, account for 88% of the Group's emissions.

The emissions reported for 2020 include the full year data for the assets acquired in July 2020 as part of the Semafo transaction, which account for approximately 35% of total CO_2 emissions. The reported 2020 emissions are therefore not directly comparable to Group's emissions reported in 2019 or 2018. Emissions data for the Teranga assets are not included in this number but are appended to the 2020 sustainability report.

Other factors contributing to the increased emissions in 2020 are the mining of satellite pits further away from the process plants at Ity (and Agbaou), mining lower grades at Houndé Gold Mine (and Agbaou) and full year of operating the Ity CIL Plant.

3.5.4 Water Stewardship

The Group explains that its water stewardship strategy aims to ensure that there is enough water for operations, to maximise water re-use and to protect the quality and quantity of water available to host communities.

SRK has identified several opportunities for the Group to improve its water stewardship. It recommends that the following is applied to all operations and projects:

- Mapping of downstream surrounding groundwater uses, and downstream water uses and improving monitoring programmes so there is better tracking of impacts on the identified uses;
- Defining the appropriate water quality criteria for the identified water uses (not just applying

national and IFC effluent discharge standards and WHO drinking water standards);

- Ensuring that the operations are not causing a decrease in the quality of water available for the identified uses;
- Improving understanding of potential long-term pollution from the mine sites through more acid rock drainage and metal leaching ("**ARDML**") test work and attention to water stewardship in closure plans; and
- Better processing of available water quality monitoring data to understand trends.

3.5.5 Closure

A new Group standard for closure was prepared in 2020 which will apply to all Mineral Assets. The standard development process included review of existing closure plans and cost estimates against the existing Group guidelines, legislation, stock exchange requirements and international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and ICMC requirements). Following on from the review, the next tasks are:

- Establishment of a centralised closure database, including information on unit rates and templates for closure plans and estimates; and
- Updating of closure plans and cost estimates.

The review revealed that the existing closure plans and cost estimates need refinement. The elements requiring attention include:

- Clearer reference to closure obligations, including commitments made by the Group and its operating subsidiaries and conditions in licences, approvals and agreements;
- Integration of closure planning into life of mine planning;
- Improvement of the vision for closure – including stakeholder engagement and definition of closure domains, post-closure land use, and closure criteria;
- Vision and contingencies for temporary suspension of operations;
- Definition of closure risks and preparation of specific plans for management of these risks;
- More clarity on how impacts on biodiversity and ecosystems will be avoided;
- Inclusion of water treatment costs where necessary in the cost estimates;
- Specific plans for decommissioning cyanide facilities; and

Preparation for the social transition at closure to ensure a positive legacy.

3.5.6 International Tailings Standards

The new Global Industry Standard on Tailings Management ("**GISTM**") published in August 2020 was developed in response to the Brumadinho TSF failure in Brazil (January 2019). This governance standard adds to, rather than replaces, existing technical tailings management standards. Broad-based uptake of this standard across the global mining industry is expected.

The GISTM was developed in by international experts and using multi-stakeholder approach. Its development was supported by the International Council on Mining and Metals partnered with the UN Environment Programme and the Principles for Responsible Investment ("**PRI**") Reporting Framework. To facilitate the implementation of the GISTM, ICMM published Conformance Protocols and a Tailings Management Good Practice Guide in May 2021.

The Good Practice Guide focuses on good engineering practice, including good governance. It falls under the GISTM and is complementary to jurisdictional legal requirements and technical standards, such as the standards of the International Commission on Large Dams ("**ICOLD**"),

Australian National Committee on Large Dams ("**ANCOLD**"), the Canadian Dam Association ("**CDA**"); and South African National Committee on Large Dams ("**SANCOLD**").

ICMM members have committed to conformance with the GISTM, specifically that facilities with 'Extreme' or 'Very high' potential consequences will be in conformance by August 2023 and all other facilities by August 2025.

Mining companies that are not members of ICMM are also likely to align tailings management practices with this standard for many reasons. The obvious driver is corporate responsibility, other drivers are investor pressure and expectations of downstream manufacturers.

Investor interest in TSF management was reflected in the Investor Mining & Tailings Safety Initiative that was established in response to the Brumadinho TSF failure. This initiative linked up many institutional investors active in extractive industries, including the Church of England Pensions Board which chaired the steering committee. This initiative called for further action which led to the Global Tailings Review and the subsequent development of the GISTM. The GISTM is backed by the PRI, which currently has over 3,000 signatories largely comprised of asset owners and investment managers and service providers who commit to integrating environmental, ESG factors into investment decision making. The collective assets under management represented by PRI signatories is over US$100 trillion.

Downstream manufacturers' ESG expectations of mining companies are reflected in responsible sourcing standards, which include the ICMM Principles, the CopperMark, the Aluminium Stewardship Initiative and the Responsible Gold Mining Principles. These standards all require that tailings management aligns with widely supported good practice guidelines.

3.6 Safety

3.6.1 Commitments and Systems

The Group states that it prioritises employee safety, the well-being of neighbouring communities and solidarity with the nations, which are its partners.

Endeavour's health and safety ambition of zero harm is codified in its Safety and Health Policy and is a group-wide key performance indicator ("**KPI**").

Updated Group health and safety standards and 10 Golden Rules have been rolled out across all sites and regional offices. Health and safety management systems at operations are being aligned with the ISO 45001:2018 standard and external certification audits are scheduled for 2023. Implementation is promoted through both training and participatory management. Workers are trained in risk analysis and provided with pocket notebooks for reporting risks. Corrective measures must be implemented before proceeding with work. Mining machinery operators are trained in simulators where appropriate. The Group reports that it developed a centralized training process in 2020, coupled with a library of over 40 HSE training and educational packages. Every million hours of work without Lost Time Injuries is rewarded to encourage and further increase awareness.

Data on safety performance at the operating mines is presented later in this report, under each asset. Across the group there has been a general improvement in safety performance since 2018. Safety performance reporting is being standardised across the group, recently acquired operations had different reporting mechanisms and Total Recordable Injury Frequency Rate ("**TRIFR**") will be added to reporting criteria in 2021 to further align with industry. The Group have also committed to a 10% reduction in TRIFR as a group-wide KPI.

There was a fatality at Karma Mine in February 2021. The incident, which can be attributed to failure of a grader's emergency steering and park brake when ascending a pit ramp, has been fully investigated, with actions to prevent recurrence identified and implemented across all

operating mines.

Each mine has a clinic is staffed with a paramedical team who can treat or refer and deal with emergency situations. Each employee is covered by a health insurance policy, which gives access to off-site medical facilities (clinic, hospital and pharmacy).

3.6.2 Malaria

Reducing malaria in neighbouring communities is one of the Group's key health goals, with a target of 10% reduction in malaria cases across the Group workforce year-on-year. The malaria prevention programs at the mine sites include fogging in camps, working areas and villages, reduction of stagnant water, distribution of impregnated mosquito nets, communication programs for malaria prevention (toolbox talk, video and awareness sessions) and indoor residual spraying of buildings.

3.6.3 COVID-19

The Group's response to COVID-19 is managed by a designated task force established in March 2020, supported by a well-regarded epidemiologist, and medical teams deployed at each mine and in Abidjan and Ouagadougou. The Group states it has implemented a range of measures to safeguard its workforce and to prevent the spread of the virus including:

- Regular communications on prevention measures;
- Strictly monitoring access to site and offices, temperature screening, social distancing measures, use of hand sanitiser, and intensified cleaning at offices and sites;
- Working from home for office staff, restrictions on non-essential visits to site, suspension of all non-essential business travel, adjustments to rotation schedules to reduce shift change overlap;
- Quarantine procedures and on-site isolation facilities, increased medical preparedness and emergency medical plans; and
- Supply chain contingency plans.

The Group also reports it has worked with health authorities in host countries to promote community awareness of preventative measures and has supported community healthcare facilities by deploying additional healthcare professionals and providing additional equipment. In 2020, US$6m was made available for COVID-19 related support for local communities by the Group and its staff. This amount includes salary donations from senior management and Board fee donations from directors. The Group intends to support host governments with vaccine rollout in 2021 as vaccines become available.

3.6.4 Illegal Mining

Artisanal and small-scale mining ("**ASM**") has become more important to many households in West Africa, as a source of supplementary income, in recent years. There are numerous unauthorised artisanal and small-scale mining sites on the exploration concessions and there is some encroachment on exploitation permit areas.

Many of the artisanal miners live in local communities and are engaged by the Group through ongoing stakeholder engagement activities. They are also encouraged to participate in the Group education and training activities to convert their skills to access different types of employment.

The Group security and community relations teams record and monitor ASM on exploration and exploitation permit areas and assess risks to operations, health and safety and the environment using an inventory and risk analysis tool. The operational site security teams are supported by private security contractors and national security forces (police, gendarme and military) under

memorandums of understanding signed with the national authorities. Training on human rights policy and procedure is undertaken to ensure that conduct of security personnel towards third parties is appropriate.

3.7 Security

Security is a potential threat to the operations, particularly in Burkina Faso where there is extremist terrorism on the northern and eastern borders and in the Sahel and Eastern Regions. In recent years, there have been terrorist attacks on police, military personnel and civilians.

In November 2019, some Boungou Gold Mine workers were killed in an attack on buses driving to the mine. The Boungou Gold Mine is located in the Eastern Region of Burkina Faso and was then owned by Semafo. Processing operations were restarted in February 2020, treating stockpiled ore and the Group restarted operations in October 2020 with strengthened security, which included air transport to site and daily coordination with public and defence security forces.

Abundant illegal ASM and widespread livelihood insecurity add to potential security risks in the areas of operation and exploration. Invasions of mining operations by artisanal miners are a risk, as is theft of materials useful to local communities such as batteries, electrical cables and fencing.

In 2020, the Group reported no significant security-related incidents or received any grievances relating to security.

The Group's security teams deal with risks of theft, illegal mining, and terrorism. Each mine site has a dedicated security team. The mine security teams are supported by country security teams. The Group explains that the security managers leading these teams have experience in counterterrorism and knowledge of African communities and culture. The Groups security strategy and management is led by the Senior Vice President for Security, who reports to the EVP Public Affairs, Sustainability and Security.

Physical security is provided by security staff, private contractors and national security forces, including gendarmes (paramilitary), police and military personnel. Mine vehicles travelling off site are escorted by police. The national security forces who reinforce local security remain accountable to their national chain of command and operate closely with security personnel through a mechanism of memorandums of understanding signed with the national authorities.

Security staff and contractors are provided with training on human rights. The Group considers that it complies with the Voluntary Principles Initiatives on Security and Human Rights. The memorandums of understanding signed with national authorities include commitments to following the Voluntary Principles Initiative.

Processing sites are fenced and equipped with surveillance infrastructure and metal detection facilities. There is an extra focus on gold security from mined ore, through the process plant, to the gold room and shipment.

Surveillance equipment used on and around mine sites includes closed-circuit TV and optical systems and long-range surveillance using drones. Geo-positioning systems are used to vehicles and people. Dog teams are used to patrol and search for explosives. A suite of networks and methods are used for alerts and communications.

Where necessary, air travel is used to avoid roads and improve operating efficiencies. There are airstrips at the mine sites to facilitate this.

The Group states that it is implementing the World Gold Council Conflict-Free Gold Standard and will obtain independent assurance of conformance with this standard as part of its commitment to the Responsible Gold Mining Principles.

3.8 Summary Technical Commentary

The following section includes discussion and comment on specific technical areas which are either common considerations across the Mineral Assets, the focus of future technical work streams to address any shortcomings or highlighted risks identified to date in the underlying technical sections for each Mineral Asset as reported in this CPR.

3.8.1 Mineral Resources and Ore Reserves

The Mineral Resource estimates generated for those Mineral Assets acquired as part of the Teranga (Sabodala-Massawa Gold Mine; Wahgnion Gold Mine; Golden Hill Advanced Development Property, hereinafter the "**Teranga deposits**") and Semafo (Boungou Gold Mine; Mana Gold Mine; Bantou Advanced Exploration Property; and Nabanga Advanced Exploration Property, hereinafter the "**Semafo deposits**") acquisitions are represented by a mixture on in-house and third-party estimates, some of which are legacy estimates that have limited supporting documentation and/or the individuals responsible for the estimates are no longer with the Group. In the majority of cases and for all significant deposits it has been possible to locate the supporting data and model files, however there are examples where the provenance of the files has not always been fully verified, or formed a complete package of synced drillhole data, wireframe domains and estimated block models. This aside coupled with historical technical reports and other information sourced by the Group, SRK has secured sufficient information in order to undertake appropriate due diligence to support the Mineral Resources as reported in the 2020 Statements.

In general terms the estimation domaining applied at the Teranga deposits has adequately defined the mineralisation envelopes, however there are examples where this could be improved to refine the domains either in terms of excluding low grade or waste material and/or packages of mineralisation that could increase the resource base. Similar issues have impacted the Semafo deposits most notably Nabanga and Siou, where there are examples of certain litho/structural domain wireframes being continuous across large distances of what is often un-mineralised material, with large numbers of low grade or un-mineralised intersections, and a small number of sporadically distributed high-grade intersections. These domains should be refined, constraining the volumes to reflect the trends in mineralisation, and subsequently reducing the potential impact of smearing high grades into poorly informed areas.

Given the nature of the mineralisation the Teranga assets typically have a nugget effect in excess of 0.4, and therefore include a degree of inherent variability within the grade distribution. This is normal for gold deposits and underlines the likelihood that the results are not always repeatable whether they are low or high, and therefore a certain amount of smoothing is desirable in the block grade estimation to ensure low grade patches are based on many low grades in the vicinity of each other, and likewise for high grade samples. However, SRK notes that in the case of a number of the Teranga deposits the estimates follow an approach of small block sizes (relative to the drill spacing), low maximum sample numbers, and an inverse distance weighting ("**IDW**") method for estimation. In SRK's opinion these approaches present a risk that local estimation bias has occurred. Even in those examples where Ordinary Kriging ("**OK**") has been applied the typically small block sizes and low maximum sample numbers have in effect restricted the estimate to that of an IDW or nearest neighbour estimate which can be seen in the relatively small difference in the grade tonnage curves for the different estimation approaches. The result of these estimation practices has led to the grade distribution in the interpolated block models representing very closely that of the underlying sample data, and/or the smearing of high grades into relatively large areas of the model which are poorly supported by data. Notwithstanding the above observations, it is SRK's opinion at the global level there

the estimates are likely to be representative (within the relative confidence categories assigned), however if an estimation approach with greater smoothing had been incorporated it would impact the local grade distribution, and likely result in a flatter grade tonnage curve and therefore may impact the degree of material above certain cut-off grades.

The Semafo deposits are impacted less from the issue of small blocks, however for a number of the deposits, grade was interpolated into sub-blocks rather than restricting this to the parent block, again raising issues around local grade bias. For some of the Semafo deposits, where the domaining approach has resulted in the mixing of low grade and high-grade composites, some portions of estimated block models are characterised by smearing of high grades into areas of waste or much lower grade composite grades. In the areas well informed by drilling these factors become less of an issue as the degree of data masks the limitations, however these issues can be quite significant in more poorly informed areas, where a limited number of high grades can become smeared through much larger areas. Additionally, in some cases the selected search parameters have resulted in less robust local grade distributions where the search ellipsoid dimensions and/or orientation is not best optimised to the geometry of the estimation domain. Again, this is most impactful in areas of wider spaced drilling.

Classification approaches have typically followed the application of the different categories (Measured, Indicated and Inferred Mineral Resources) based on estimation search pass and as such produced broadly coherent zones of the same confidence level, however, there remain instances where this can lead to irregular occurrences or patches of different classification within the wider area informed by data to a similar degree. There are also instances where the limits to the different categories have been “stretched” and a tighter approach in these instances would reduce the level of risk in the results presented.

In summary, the estimates are relatively well supported by data (relative to the confidence categories reported within). The estimation domains normally adequately reflect the underlying geology, however in the case of the Semafo deposits further refinement is required to constrain the grade estimation domains. SRK recommends that the estimation approach be revisited for the majority of the estimates such that it reflects on:

- Block size and approach to parent and sub-blocks;
- The inclusion of expanded variography (even if the results are relatively poor) and the interpolation via OK; and
- Selection of search parameters, considering the specific data distribution and grade trends of each deposit.

Addressing the above items will ensure that the resulting estimate respects the underlying data but includes a degree of smoothing that is reflective of the underlying grade variability. SRK understands that the Group has developed a detailed work programme in 2021 to ensure that in respect of the next annual reporting cycle the majority of the issues highlighted above will be addressed and as deemed necessary subject to detailed re-estimation to inform the 2021 Mineral Resource and Ore Reserve estimation process and LoMp.

Furthermore, SRK also considers that following completion of the updated geological models a reassessment of the economic viability of the smaller Mineral Resource models is undertaken. This will ensure that for both open-pit but specifically for underground Mineral Resources that these are tested in respect of compliance with the relevant reporting criteria.

3.8.2 Mine Design and Methodologies

Mine design, planning and scheduling processes largely reflect standard industry practices and include the following key processes:

- Receipt of the topographic survey, and as appropriate regularisation of the resource block models as at 31 December 2020 including assessment of the inherent dilution and losses incorporated through the re-blocking process;
- Consolidation of key input parameters for application in the optimisation process for each of the deposits, including:
  - overall slope angles for both rock type and slope bearing, reduced as appropriate for inclusion of ramp access,
  - mining operating expenditures including unit mining for waste including modification for weathering status, mining cost increment with depth, determination of ore mining cost differentials to account for grade control, stockpile rehandling, ore haulage and overland haulage costs. With respect to the mining cost increment with depth, a detailed cost model is developed assuming first principle equipment productivity calculations, detailed haulage analysis for each bench elevation and original equipment manufacturers ("**OEM**") equipment life cycle costs per operating hour,
  - processing operating expenditures,
  - general and administration operating expenditures,
  - establishment of process recovery assumptions as relevant for each weathering type per deposit and with appropriate modification for the presence of deleterious material e.g. high and low copper content,
  - establishment of the base case long term commodity price for gold and assumed to equate to revenue factor 1.00 for the purposes of pit optimisations,
  - determination of product realisation costs including transportation, insurances and refining charges in accordance with the current refinery contracts,
  - applicable royalty determinations in accordance with the relevant regulatory environment,
  - determination of the appropriate modifying factors for dilution and losses with dilution factors applied to the regularised in-situ models and ore losses applied to diluted material and defined for each deposit specifically;
- Completion of optimisation analysis for an appropriate range of revenue factors limited to Measured and Indicated Mineral Resource categories, followed by selection of ultimate pit shells and incremental shells adopted for push back design considerations;
- Completion of detailed engineering for ultimate pit designs and phased pushbacks incorporating minimum pit widths and all geotechnical design recommendations. In addition to the pit designs, waste dumps, stockpile areas and haul road designs are completed to support the subsequent mine and equipment scheduling process to follow. The mine design efficiency is also assessed by comparing the ultimate raw optimisation shell selection with the ultimate engineered pit design to compare overall volumes and tonnages for the pit as a whole and for ore and waste material categories;
- Determination of the overall mining inventory reported within the engineered design pits for the regularised block model and application of all relevant modifying factors to establish the reported Ore Reserve statements;
- Preparation of detailed production schedules in standard industry software for multi pit mining to determine direct mill feed, stockpiling and stockpile reclamation schedules based on a combination of mill feed grade categories and where practicable equipment production rate and weathering type constraints. A further key criteria applied in the scheduling process is the rate of pit sinking , measured in vertical metres per annum and the number of benches

that can be mined in addition to any other applicable spatial constraints to ensure development of practical schedules. Physical production schedules are typically developed on a monthly basis for the first three years, quarterly for the next two years and annually thereafter to depletion of the mining inventory. The production schedule is also modified to account for available operating days and equipment availability/utilisation/efficiencies for the dry and wet season operating conditions;

- Based on the final production schedule and assumed equipment efficiencies, the determination of primary earth moving requirements and given the current compliment and equipment life cycles establishing mobile fleet replacement requirements including rebuilds and new purchases over the LoMp period. This process is normally undertaken using assumed unit rates for primary earthmoving equipment with appropriate modifications to allow for longer haul distances. In the more sophisticated modelling scenarios equipment scheduling is informed using specialised software to assess the impact of material destination schedules to determine operating hours/cycle times to derive the truck fleet size. Mining excavators and drill and blast equipment are typically determined based on mining volumes, loaders by rehandling requirements and auxiliary equipment based on ratios in relation to relevant primary equipment. It is however important that all approaches are calibrated to current operations with appropriate modifications for spatial and temporal considerations pertaining to the specific LoMp strategic conditions;
- Development of mine cost models which vary in the level of complexity from workbook calculations to application of specialised mining software. Inputs to these cost models are normally benchmarked against historical performance and/or incorporate first principal analysis. These also include both operating and capital expenditures relating to all mining operations and are also utilised to assess and benchmark contract mining and owner options as appropriate; and
- For the underground mining requirements, contracts are generally fixed and variable in nature with mining fleet and key staff catered for as fixed costs and all development, production drilling, mucking, backfilling and haulage as variable rates. Where flexing of fleet requirements to cater for the production schedule can be completed provided that sufficient notice is given to the mining contractor.

Notwithstanding the above, SRK notes that a number of key areas require additional focus to ensure that the practices and process are uniformly applied across all of the Mineral Assets and specifically to align those recently acquired with the Group's standard protocols:

- To implement the Group's reconciliation process at the Teranga and Semafo deposits and where practically possible to ensure that these elements capture all relevant historical mining and processing statistics;
- Following completion of the updated geological modelling and Mineral Resource estimation process underway in 2021, to critically review the selected grade bins adopted for the Teranga and Semafo deposits and to assess the impact that the revised estimation may have on mining selectivity in accordance with the current grade bins;
- To consolidate and align the key technical assumptions relied upon for reporting both Mineral Resources and Ore Reserves, specifically in respect of the historical legacy estimates;
- To better integrate the Life-of-Mine planning process with the strategic waste management planning process both in respect of the tailings storage facilities and the waste rock dumps;
- To develop and extend any considerations for waste management/segregation in respect of

material which may prose a ARDML risk; and

- To further the hydrogeological modelling capability and assessment across the Mineral Assets specifically where long-term slope angles assume low pore water pressure to maintain appropriate factors of safety.

3.8.3 Mine Closure

Current mine closure estimates for the Mineral Assets have been developed as preliminary determinations for inclusion in the Group's closure estimates. These are largely based on consideration of unit remediation cost rates related to an inventory of physical quantities considered necessary for implementation in the event of mine closure. The closure cost estimates generally comprise three components: pre-closure activities (1); closure activities (2); and post closure monitoring (3). These estimates however are considered high level and as such have a number of inherent limitations when considering both immediate closure and LoMp associated liabilities;

- They do not account for the enhanced footprint and related disturbance associated with depletion of the Ore Reserves as reported at 31 December 2020. For example, they do not account for: increased volumes of mined waste and tailings arisings which are required to be deposited in the dedicated waste storage facilities; establishment of new WRDs; mining of open pits for which production has not yet commenced;
- They do not account for retrenchment liabilities associated with termination of employees on cessation of mining and processing operations;
- They are not supported by engineering level of designs, activity scheduling and costings and as such the assumption of a 10% contingency is not appropriate given the level of technical support available at present; and
- The do not account for consideration of recent developments associated with mine closure standards as defined by the following general mine closure standards as considered in Section 1.2.2 of this CPR, specifically those associated with the *"Guidelines of the International Institute of Environment and Development"* and published in 2002.

It is important to note that the Group immediate closure as estimated as presented in the various technical sections for each Mineral Asset reflects the Groups current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that current reflected in the ARO estimate by the Group.

Accordingly, SRK has reviewed the immediate closure estimates and modified these as appropriate to establish LoMp closure costs. In summary the key modifications comprise: additional increments for open pits included in the Ore Reserves but not yet in operation; increased deposition of waste at the WRDs and the TSFs; increased volume of capping material to allow for the TSF landform following dewatering; and increased plant demolition costs where these are noted as being substantially less than appropriate benchmarks; increased contingency to 25% to reflect the level of engineering design and costing completed to date.

It is however important to note that the mine closure estimates as reported herein are not presently informed by ARDML testwork for all deposits and waste production from processing. As such SRK considers that further work is required to assess the ARDML potential and if

required the necessary ameliorating actions required to segregate waste and to contain and manage any seepage/runoff accordingly.

Furthermore, the potential for long term post closure surface water management including establishing water shedding landforms and other related aspects including active or passive water treatment has not yet been established. A further risk relates to the potential for pollution plumes or seepage from key landforms such as TSFs and WRDs. Accordingly, further investigative and technical study work programmes are required to rule these out and limit the risk for potential further increases in the environmental and social liabilities as reported herein.

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

4 BOUNGOU GOLD MINE

4.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Company and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly. Furthermore, for the periods ending 31 December 2018 through 2020, the Group has restated the pre-Acquisition cash costs in accordance with its accounting policies and accordingly will differ from those cash costs reported herein.

The current Mineral Resource and Ore Reserve Statements as reported for Boungou Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

4.2 Mineral Asset Background

Boungou Gold Mine commissioned in 2018 comprises several open pits, mined at a total rate of 25.4Mtpa and processing ore through a conventional CIP process plant with a nominal capacity of 1.3Mtpa. A feasibility study was completed in 2016 (the "**Boungou 2016 FS**"), the details of which were reported in the "*NI 43-101 Technical Report Natougou Gold Deposit Project Burkina Faso"* published on 23 March 2016 ("**Boungou 2016 TR**"). The technical information as presented in this CPR for Boungou Gold Mine is sourced from the Group's post-acquisition LoMp and the accompanying Mineral Resource and Ore Reserve statements published as at 31 December 2020.

The current LoMp as reported herein is limited to depletion of Ore Reserves (including stockpiles) from 1 January 2021 through calendar 2027. Total material mined is planned to peak at 31.0Mt in 2023 and ore processing is maintained at approximately 1.3Mtpa for the duration to process a total of 8.6Mt grading 3.65g/tAu and total gold production of 0.9Moz attained at a weighted average metallurgical recovery of 93.9%. Annual gold production remains range bound between 200koz and 150koz and weighted average AISC for the LoMp is estimated at US$790/ozAu. Total capital expenditure comprising growth (including non-sustaining) and sustaining capital is estimated at US$29.7m with mine closure costs (inclusive of retrenchment) estimated at US$20.4m.

Location, Access and Infrastructure

Boungou Gold Mine is located at latitude 11°59'18" north and longitude 01°24'56" east in

Burkina Faso, West Africa and is situated approximately 320km east-southeast of Ouagadougou.

Located in the Est Administrative region access to the site is by means of Route Nationale RN04, an all-weather bitumen road 220km from Ouagadougou through Fada n'Gourma, then 70km on the RN06 to the Ongarou junction. From there, travel is via a laterite road, RR28, to the property 70km to the southeast. Owing to recent instability in the region, an alternate route is utilised, travelling 150km from Fada n'Gourma to Kantchari on the RN06, before taking the RN19 and travelling a further 60km to Diapaga. The Boungou Gold Mine is a further 45km from Diapaga partially along the RR28.

The RN19 and RR28 are laterite roads which are in a generally poor state. Consequently, the company has undertaken remedial works on these roads to improve the worst sections each year ahead of the wet season. In 2021 a larger remedial campaign has been commenced on the RN19 and a government approved road survey company has been commissioned to undertake a comprehensive exercise on the road. The intent is that over time, through ongoing government support, the ability to safely utilise the RR28 via Ongarou will be restored as the travel distance for transport and supplies is much shorter than the RN19 via Kantchari. Fada n'Gourma is the nearest town with basic hospital, hotel and limited resupply facilities.

Due to its remote location power is provided from a hybrid heavy fuel oil ("**HFO**") and diesel fuelled power station located adjacent to the Boungou CIL Plant.

Physiography and Climate

The area is relatively flat and sits at an elevation of approximately 260m above sea level. To the east and north of the mine site are mesas which rise approximately 10m above the surrounding topography. A small hill is located in the very southern corner of the deposit. The land rises gently to the north, culminating in the height of land separating two watersheds. Vegetation in the region is a mosaic of cultivated land and tropical acacia savannah.

The climate of Burkina Faso is semi-arid, with a rainy season from May to September, and a hot dry season from February to April. Access for exploration activities are limited during the rainy season. Average temperatures range between 16°C overnight in the cool season to over 40°C during the day in the hot season. Average annual rainfall for 2018, 2019 and 2020 is approximately 784mm, although large inter-year variability is common. During October to April, the climate is heavily influenced by the dry, dust-laden northwest trade wind known as Harmattan, which blows down from the Sahara Desert.

Monthly rainfall historic data has been obtained from the National Climatic Data Centre website for the Fada n'Gourma weather station located approximately 100km west from Boungou Gold Mine. August is on average the wettest month of the year with an average rainfall of 244.6mm, while December, January and February are the driest months with average rainfall close to 0mm.

Figure 4-1: Boungou Gold Mine location map



Ownership, Mineral, Mining and Exploration Rights

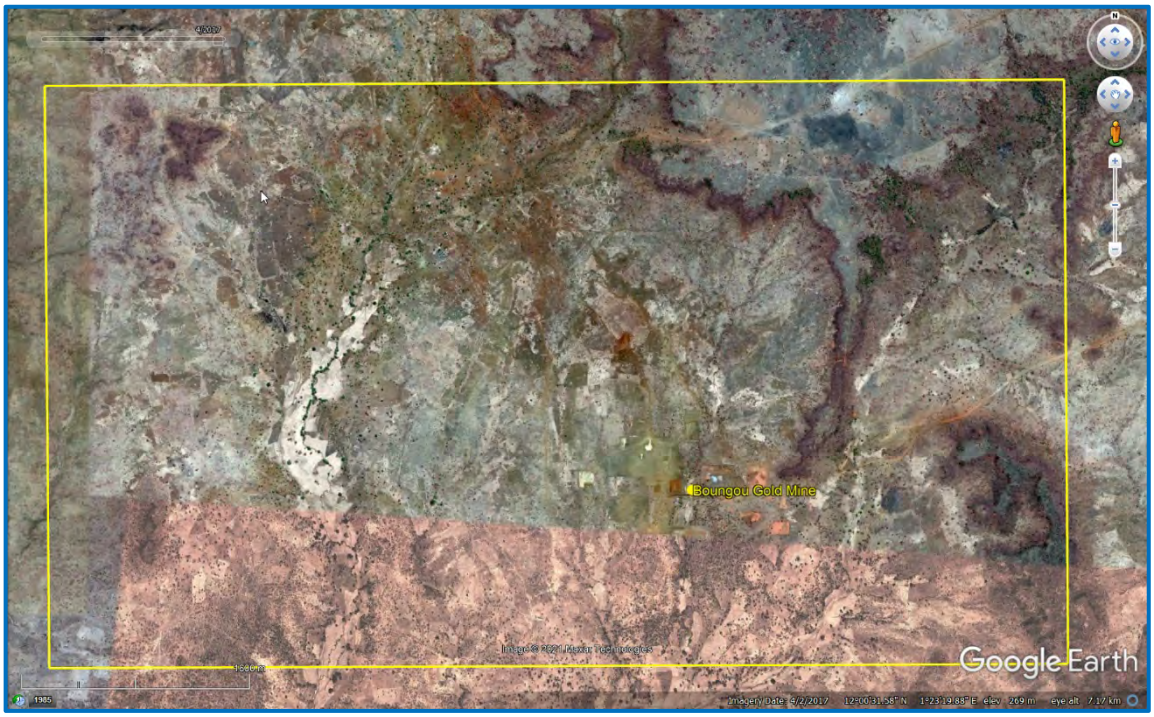
Boungou's mineral rights comprise of one mining exploitation permit (the "**Boungou License**") which is held by Semafo Boungou SA ("**Semafo SA**"). The Group, indirectly through its subsidiary Semafo (Barbados) Limited ("**Semafo Barbados**"), has a 90% equity interest in Semafo SA and the remaining 10% equity interest is held by the Government of Burkina Faso ("**GoBF**"). Pursuant to its mining convention with the State and local legislation, the Group is to pay the SoBF a 3% to 5% royalty, on a sliding scale based on prevailing gold prices: all shipments with gold spot prices lower or equal to US$1,000/oz are subject to a royalty rate of 3%; a 4% rate is applied to all shipments with gold spot prices between US$1,000/oz and US$1,300/oz; and a 5% royalty rate is applied on all shipments with a gold spot price greater than US$1,300/oz.

The Boungou License has an area of 29.1km^2 and will expire on 23 January 2024, though it remains renewable for consecutive five-year periods.

Table 4-1: Boungou Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Semafo Boungou S.A	Boungou	2017-0025/PRES/PM/MEMC/MINEFID/MEEVCC	90.00	29.1	23/01/2024	3.1

Figure 4-2: Boungou Gold Mine mineral tenure map



A mining convention is in place for the Boungou Gold Mine which is an agreement between the Government of Burkina Faso (represented by the Ministry of Mines, Quarries and Energy) and Semafo S.A. It was signed on 19 June 2017 and obligations in the convention pertaining to environmental, social and governance include:

- preferential use of national services and materials wherever possible (Article 6);
- preferential employment of national people, implementing a training programme, respecting employment law and replacing expatriates with nationals who have acquired the same experience (Article 7);
- from the date of first commercial production, contribution to the improvement of schools, hospitals and other community infrastructure (Article 7);
- fair compensation of people displaced or otherwise affected by mine activities (Article 9);
- protection of the environment (Article 11);
- maintenance of a bank account within Burkina Faso for a restoration fund for the mine site as defined by the mining regulations – the cost must cover the implementation of an environmental preservation and rehabilitation program and is exempt from corporation tax (Article 11); and
- payment of other taxes and fees (Articles 19 and 20).

Historical Development

No exploration is known to have occurred on the Tapoa permit group prior to 2010 when Orbis Gold Limited ("**Orbis Gold**") commenced soil and rock chip sampling. The soil and rock chip sampling were followed up in 2012 with a regional Reverse Circulation ("**RC**") drilling program that resulted in the discovery of the Boungou gold deposit. Resource drilling commenced in 2012 and culminated with an initial Mineral Resource estimate being completed by Snowden in August 2013, which was classified and reported in accordance with the 2004 edition of the JORC Code. Orbis Gold completed further infill drilling in 2014 and the Mineral Resource estimate was updated by Snowden in August 2014. In February 2015, Semafo acquired Orbis

Gold. A conversion of the Mineral Resource reporting code from JORC Code to CIM was completed by Snowden in March 2015 for Semafo and reported in accordance with NI 43-101 regulations. Between March 2015 and August 2015, Semafo completed an infill drilling program aimed at upgrading the confidence in the resource estimate along with exploring targets proximal to the resource area.

No large-scale production of gold has historically within the Tapoa Permit area. The central part of the Boungou Licence has artisanal activity along the north-to-south trending drainage system. Extraction of gold by the local community from artisanal workings has occurred for an unknown period of time, with free gold recovered by gravity methods in gold pans or through simple sluicing methods. Some more sophisticated methods of gold extraction are also evident. The vertical extent of the workings is unknown, however it is believed to reach a maximum depth of approximately 20m to 40m, although the vast majority of the workings are less than 5m deep. The total tonnage and grade of material extracted from artisanal workings at the Boungou gold deposit is unknown, however it is not considered to be material to the current Mineral Resource estimate.

Construction activities at the Boungou Gold Mine commenced on 31 March 2017 with the first gold pour achieved in June 2018. On 1 September 2018 commercial production was achieved when operations reached the internal commercial production measure of 30 consecutive days of mill throughput at 75% of the nominal design capacity (4,000tpd). During the 30-day period, the mill processed more than 90kt of ore at an average grade of 2.4g/tAu with a recovery rate of 83%. The mill mainly processed lower grade ore sourced from the East pit, however, as the process was being optimized, higher grade ore was introduced and a recovery rate of more than 93% was reached at the end of the period.

Burkina Faso has been subject to political instability and has experienced various political issues in recent years. In 2014, the long-standing President of Burkina Faso was exiled following a popularly supported coup. The instability following the instalment of a civilian transitional government resulted in two further coup attempts in 2015 and 2016, neither of which were successful. During this time, elements of terrorist and paramilitary organisations, present in the wider Sahel region, consolidated their influence over parts of Northern and Eastern Burkina Faso. This resulted in a series of security incidents in 2019 involving improvised explosive devices on the road leading to the Boungou Gold Mine. In November 2019, an attack occurred involving fives buses carrying contractors and employees of the Boungou Gold Mine, which resulted in 39 fatalities. Following the attack, the Boungou Gold Mine was placed on temporary care and maintenance in order to address regional security issues, with processing restarting in February 2020.

Historical Operating Performance

Table 4-2 presents a summary of the technical and economic performance reflecting all revenue and expenditures from 2015 through 2020. Since 2017, Boungou Gold Mine has mined a total of 2.7Mt of ore grading 5.36g/tAu with an accompanying stripping ratio of 6.8t_{waste}:t_{ore}. During this period the Boungou CIP Plant processed a total of 2.7Mt grading 5.36g/tAu to produce 436koz of gold indicating an overall recovery of 93.0% to enable sales of 429kozAu at an overall AISC of US$573/oz. Total capital expenditures are reported at US$279.8m with the construction of the Boungou Gold Mine accounting for US$159.0m in 2017 and US$72.0m in 2018. Total operating profit and total pre-tax and pre-finance cashflow since 2015 is reported at US$462.2m and positive US$207.9m respectively.

For the 12-month period ending 31 December 2020, Boungou Gold Mine processed 1.11Mt grading 4.79g/tAu with a recovery of 94.9% resulting in gold production of 162koz. Total sales

in 2020 reported 155kozAu with accompanying AISC of US$680/oz. Financial performance statistics for 2020 indicate operating profit of US$175.4m and pre-tax pre-finance cashflows of US$194.8m. During 2020 it is important to note that operations were negatively impacted due to the security incident in November 2019 following which the mining contractor, African Mining Services, terminated the contract at Boungou Gold Mine. Processing was also ceased from the date of the incident through to February 2020. SFTP Mining was appointed as mining contractor in August 2020 and commenced mining works on 15 October 2020. During this interim period production was maintained with feeding of ore stockpiles to the RoM crusher through a local contractor.

Table 4-3 presents a summary of historical and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 180kozAu to 200kozAu; AISC US$497/oz to US$680/oz; and total capital expenditure (excluding working capital) of US$279.8m (non-sustaining capital expenditure of US$81.6m; sustaining capital expenditure of US$38.6m; and growth and exploration expenditure of US$159.6m).

Table 4-2: Boungou Gold Mine historical performance[(1)]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	6.8	-	-	-	7.1	7.2	4.5
Mined	(Mt)	24.84	-	-	-	9.02	13.28	2.53
Waste	(Mt)	21.63	-	-	-	7.91	11.65	2.08
Ore	(Mt)	3.20	-	-	-	1.11	1.63	0.46
	(g/tAu)	5.10	-	-	-	3.31	5.73	7.24
	(kozAu)	525	-	-	-	119	300	107
Processing	(Mt)	2.72	-	-	-	0.61	1.00	1.11
	(g/tAu)	5.36	-	-	-	4.28	6.65	4.79
	(kozAu)	469	-	-	-	84	214	171
Recovery	(%)	93.0	-	-	-	81.5	96.0	94.9
Production	(kozAu)	436	-	-	-	69	205	162
Sold	(kozAu)	429	-	-	-	60	214	155
Financial								
Revenue								
Gold Price	(US$/oz)	1,494	-	-	-	1,122	1,380	1,797
Revenue	(US$m)	640.81	-	-	-	67.0	295.8	278.07
Operating Expenditure								
Mining	(US$m)	(46.6)	-	-	-	(11.7)	(19.9)	(15.0)
Processing	(US$m)	(91.4)	-	-	-	(15.8)	(34.7)	(40.9)
Site G&A	(US$m)	(32.6)	-	-	-	(4.3)	(11.0)	(17.3)
Regional G&A	(US$m)	(0.5)	-	-	-	(0.3)	(0.2)	-
Refining, Transport, By-product	(US$m)	(2.0)	-	-	-	(0.2)	(0.8)	(1.0)
Royalty + SDF	(US$m)	(37.2)	-	-	-	(3.3)	(17.0)	(16.9)
Capitalised Waste	(US$m)	43.4	-	-	-	22.1	21.3	-
Inventory Movement (cash)	(US$m)	(11.7)	-	-	-	(2.3)	2.3	(11.6)
Total	**(US$m)**	**(178.6)**	**-**	**-**	**-**	**(15.9)**	**(60.0)**	**(102.6)**
Operating Profit	**(US$m)**	**462.2**	**-**	**-**	**-**	**51.1**	**235.7**	**175.4**
Capital Expenditure								
Growth	(US$m)	(159.6)	-	-	(159.0)	-	(0.6)	-
Sustaining	(US$m)	(38.6)	-	-	-	(10.5)	(25.6)	(2.6)
Non-Sustaining	(US$m)	(81.6)	-	-	-	(72.0)	(6.1)	(3.5)
Working Capital Movement	(US$m)	25.4	-	-	-	-	-	25.4
Total	**(US$m)**	**(254.3)**	**-**	**-**	**(159.0)**	**(82.4)**	**(32.2)**	**19.3**
Mine Free Cashflow	**(US$m)**	**207.9**	**-**	**-**	**(159.0)**	**(31.4)**	**203.5**	**194.8**
Unit Rates								
Mining	(US$/$t_{mined}$)	1.88	-	-	-	1.30	1.50	5.90
Processing	(US$/$t_{proc}$)	33.57	-	-	-	25.80	34.73	36.83
Site G&A	(US$/$t_{proc}$)	11.97	-	-	-	7.04	11.00	15.56
Regional G&A	(US$/$t_{proc}$)	0.19	-	-	-	0.54	0.18	-
Direct Site Costs	(US$/$t_{proc}$)	62.65	-	-	-	51.91	65.68	65.85
Refining, Transport, By-product	(US$/oz)	4.6	-	-	-	3.6	3.6	6.4
Royalty + SDF	(%)	5.8	-	-	-	5.0	5.7	6.1
AOC	(US$/oz)	441	-	-	-	367	380	554
AISC	**(US$/oz)**	**573**	**-**	**-**	**-**	**621**	**482**	**680**
AIC	(US$/oz)	1,042	-	-	-	1,609	526	703
Total Costs	(US$/oz)	1,042	-	-	-	1,609	441	628

(1) All information sourced from public domain reporting data.

Table 4-3: Boungou Gold Mine: historical and current guidance[(1)]

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	-	-	60-70	220-240	130-150	180-200
AISC[(1)]	(kozAu)	-	-	545-570	470-510	680-725	690-740
Growth	(US$m)	-	159.0	72.0	-	-	-
Sustaining	(US$m)	-	-	3.0	4.0	3.0	19.0
Non-Sustaining	(US$m)	-	-	11.0	27.0	10.0	22.0
Exploration	(US$m)	-	-	-	-	-	7.0

(1) AISC estimate reflect the Company's reporting policy at the time of reporting.

4.3 Geology and Mineral Resources

4.3.1 Regional and Deposit Geology

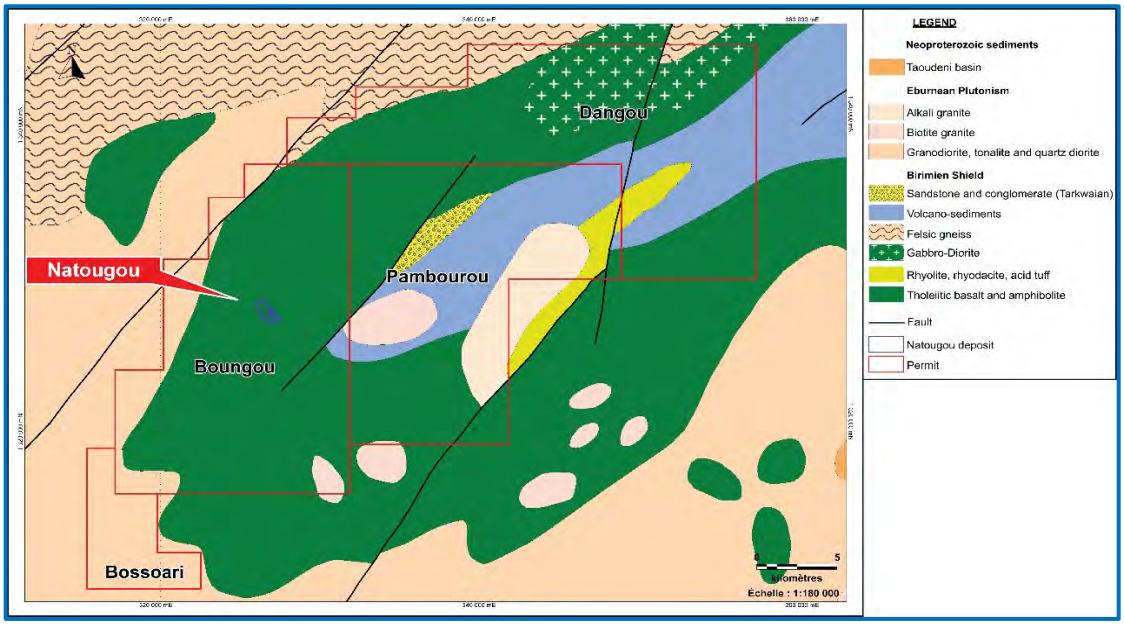
The Tawori exploration permit (initially the Boungou Permit), which contains the Boungou deposit, lies within the Diapaga greenstone belt, a northeast-southwest trending belt approximately 250km long and over 50km wide. The Group holds four contiguous permits, collectively known as the Tapoa Permits, covering approximately 70km in strike length along the Diapaga belt.

The stratigraphy at Boungou Gold Mine is relatively simple and broadly consistent across the deposit, comprising of two volcanic flows separated by a central volcaniclastic unit. All units are intruded by diorite and/or granodiorite sills, possibly originating from the felsic intrusion located immediately west of the deposit. Late dolerite dykes are also present and appear to be sub-vertical and strike northwest.

The Boungou Shear Zone, which hosts the main gold mineralisation, is located at the contact between the footwall and hangingwall volcanic units, where the volcanic flow top breccias have formed and the volcaniclastics deposited. The contact zone is thought to have served as an area of rheological weakness, focusing deformation and fluid flow.

The Boungou gold deposit (Figure 4-3) can be described as a West African shear zone-hosted greenstone gold deposit. The main mineralised lode is interpreted as a flat-lying anticlinal shear that outcrops in the southeast and plunges gently to the northwest. The mineralisation has a strike length of approximately 2km, striking towards a bearing of 315° and an across-strike length of approximately 1km (towards 45°). The mineralisation is gently folded with the fold axis oriented along-strike, and the limbs dipping gently at approximately 15°. Gold mineralisation is associated with biotite and silica-sericite alteration, along with disseminated sulphides, including pyrrhotite, pyrite and minor arsenopyrite and chalcopyrite, with occasional free gold.

Figure 4-3: Boungou Gold Mine: regional deposit geology



4.3.2 Exploration Activity

Regional soil sampling and rock chip sampling programs were commenced by Orbis Gold in 2010. Permit scale mapping, along with the sampling of 13 exploration trenches were completed during the 2014 field season. Semafo updated the works in 2015 to identify areas

for detailed investigation.

Orbis Gold defined a large-scale (+50ppbAu) gold-in-soil anomaly in the area surrounding the Natougou discovery which was followed up by the drilling of a total of 725 drillholes (RC, diamond drillhole ("**DD**") and RC-DD) between 2012 and 2014, delineating the main Boungou shear zone mineralisation. Semafo completed a total of 624 exploration drillholes in 2015 which delineated the Southwest Extension Zone, located within the main Boungou Shear Zone and representing the down-dip extension of known mineralisation along the west flank of the anticline.

In 2018, a total of 55,512m of RC (526 holes), 615m of DD (three holes) and 26,480m of auger (1,911 holes) drilling were completed. On the Boungou Licence, a total of 213 RC holes were drilled targeting various extensions to the mineralisation around the open pit designs. A total of 78 RC holes were completed on the Tawori permit targeting the continuation of the Boungou Main Shear mineralisation, as well as 609 auger holes at the Osaanpalo Target as infill to reconnaissance auger lines drilled in previous years.

In 2019, a total of 24,496m of RC (222 holes), 587m of DD (3 holes) and 8,169m of auger (807 holes) drilling were completed. On the Boungou Licence, 17 RC holes were drilled targeting extensions to the mineralisation around the open pit designs. A total of 110 RC holes were completed on the Tawori permit targeting the continuation of the Boungou Main Shear mineralisation.

In 2020, a total of 3,921m of RC (61 holes) were completed on the mine lease. The holes were designed to test for high grade pockets in the future high wall between the East and West open pit designs. The drillholes intersected the Boungou Main Shear, where grades and mineralised interval thicknesses were generally low. Table 4-4 presents a summary of the drilling conducted at the deposit to date.

Table 4-4: Boungou Gold Mine: exploration drilling data

Deposit	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
West East West Flank East Flank Underground	2,155	190,482	variable 10m to 40m by 10m to 40m	7	62	-	31
Total	**2,155**	**190,482**		**7**	**62**	**-**	**31**

4.3.3 Quality and Quantity of Data

The sample preparation, analysis and security are currently under the supervision of Group geologists and were prior to that under the supervision of Orbis Gold and then Semafo from 2013 up until the time at which the Group acquired the project. Samples used for the Boungou Mineral Resource estimate can be separated into RC drill samples and drill core, derived from both exploration and grade control drilling.

RC samples were collected from every one-meter drill run in pre-labelled plastic bags directly from the cyclone on the drill rig. Approximately 30kg to 40kg of material was reduced using a tiered riffle splitter to obtain a sub-sample of about 2kg which was packed in a plastic bag. Sample tickets were placed into each bag, and the hole ID and sample depth recorded on the remaining ticket stub. The riffle splitter was cleaned after each sample with a brush. A second split of the same size was kept on-site for reference, and the rest of the RC-sampled material discarded. A small sample of chips from each one-meter interval was removed with a sieve, washed and placed into labelled chip trays for logging and future reference. Sample bags were then transported to the on-site preparation laboratory for crushing and pulverizing.

Diamond core samples were collected based on a maximum of 1.2m intervals or to the

lithological/alteration/mineralisation boundaries, with a minimum sample length of 0.2m. The core was cut in half (longitudinally) using a diamond saw and the sampled half core placed into a plastic bag and labelled with the hole ID and depth. A sample ticket labelled with the hole ID and depth was also placed in the bag. The other half was kept for reference in core storage shelters at the Boungou exploration camp.

Prior to 2016, samples were submitted to SGS in Ouagadougou and analysed for gold using fire assay, with an AAS finish. RC and core samples were first registered, ordered and then weighed. Samples were oven-dried at a nominal 105°C for up to 6 hours depending on the material. Approximately 2kg of the sample was crushed to 80% passing 2mm. The crushed sample was split for pulverization using a rotary or riffle splitter. A 1kg split of the 2mm material was then pulverized to 85% passing 75µm in a bowl and puck pulveriser. A 250g sub-sample was collected (by scooping) and conditioned for shipping to the assay laboratory. Quality control samples, including standard reference materials and blanks, were also submitted with these samples. All samples were assayed by fusing a 50g sample with a lithium-based flux, dissolving the glass bead in aqua regia and determining the gold content by AAS. This technique has a detection limit of 0.01ppmAu.

Since 2017, exploration drillhole sample pulps were transported to ALS-OU for analysis by fire assay with an AAS finish (50g charge), where samples returning a grade >3g/tAu were re-assayed by fire assay with a gravimetric finish. ALS-OU is part of the ALS Group of laboratories which operates under a global quality management system under ISO 9001:2008 and participates in international proficiency testing programs.

Boungou Gold Mine has an on-site laboratory owned by the Group and operated by WESTAGO which is utilised for assaying of grade control samples by fire assay. In addition, the Mana Gold Mine site laboratory facilities have also been used as a referee laboratory for annual check assays as part of the quality control process between 2018 and 2019. Neither mine site laboratory is accredited however both regularly participate in international proficiency testing programmes.

The accuracy and precision of sampling and assaying were monitored through the implementation of a quality assurance – quality control ("**QA/QC**") program. The QA/QC measures included the insertion of blank samples ("**blanks**"), certified reference materials ("**CRM**"), and field and lab duplicates. Additionally, re-assaying of a set number of sample pulps at the Mana Gold Mine laboratory was performed on a quarterly basis in 2018 through 2019 as an additional test of the reliability of assay results. QC results were monitored by the Group (and previously, Semafo) geologists as part of the assay data validation process during data loading. Sample submissions falling outside of acceptable rejection limits were investigated and resubmitted for re-assay, if considered necessary. QA/QC results were also reviewed by the appropriately qualified individual on a quarterly basis, and an annual summary report published, including the referee lab results.

4.3.4 Mineral Resource Estimation

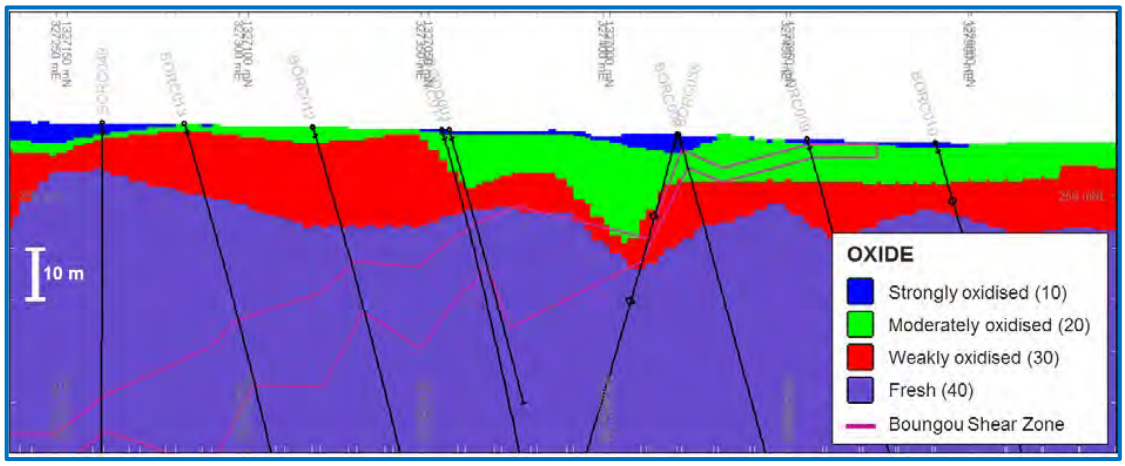
Mineral Resources for the Boungou Gold Mine are estimated for five reporting areas comprising the West open pit, the East open pit, the West Flank open pit, the East Flank open pit, the underground resource area and stockpiles.

Geological Domaining, Block Modelling and Interpolation

The most recent Mineral Resource estimate for Boungou was completed internally by Semafo during 2020. Mineralised zones were interpreted on a sectional basis (Figure 4-4), based on a combination of lithology, weathering, assay and structural data from exploration and grade

control drillholes. Individual zones of mineralisation were split into domains on the basis of the trend of mineralisation within the anticlinal fold structure.

Figure 4-4: Boungou Gold Mine: geological section indicating weathering profiles



The drillhole intercepts within each mineralised domain were coded, and these coded intervals subsequently used to complete a statistical review of the raw assay data, compositing, capping analysis and variography, on a per domain basis. Composites were generated at 1m intervals, and capping applied on the basis of two separate grade populations ("high" or "low" grade) for the fold hinge or limbs, at 100g/tAu or 45g/tAu, respectively (Table 4-6).

Variography was used to analyse the spatial continuity within the mineralisation domains and to determine appropriate estimation inputs to the grade interpolation process. The variogram relative nugget effect was 40%, indicating a moderate degree of short scale variability as would be expected for a gold deposit of this type. Variogram ranges were typically in the order of 15m to 55m (Table 4-6).

A single model was generated to honour the geometry and relative orientation of the modelled domains, with parent block dimensions of 20m by 20m by 2m (XYZ). Grade interpolation was carried out using OK for each mineralised domain using the gold assay values associated with the coded one metre composite data. A summary of the estimation parameters used is provided in Table 4-6. The grade estimation was validated by comparing input composite data with estimated block grades, both visually and statistically.

Density readings were taken from core using the Archimedes method (i.e. water displacement). The measurements are grouped according to logged lithology and weathering style/oxidation intensity. The average density values applied to the model, split by material type, are detailed in Table 4-6.

Table 4-5: Boungou Gold Mine: geological modelling methodology and deposit characteristics

Deposit Domain	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
West East West Flank East Flank Underground	Modelling methodology: Sectional wireframes (based on grade threshold)	Flat-lying anticlinal shear with a strike length of approximately 2km, across-strike length of approximately 1.8km (towards 045°).	Striking towards a bearing of 315°, the mineralisation is gently folded with the fold axis oriented along strike and the limbs dipping gently at approximately 15°. True thickness: 5m to 10m

Table 4-6: Boungou Gold Mine: resource estimation parameters

Deposit Domain	Composite Length	High Grade Capping	Hard / Soft Boundaries	Block Model Parameters	Grade Estimation Methodology	Density Values	Block Model Validation Methodology
West East West Flank East Flank Underground	1m	High Grade: 100g/tAu Low Grade: 45g/tAu	Hard	Resource model: 20m by 20m by 2m (XYZ) OP Reporting: 5m by 5m by 2m (regularised) Variably sub-blocked	1) 22 Domains 2) Nugget effect: 40%; range: 15m to 55m 3) Search parameters: RotY: -45°, RotZ: , RotY: 0 to13°,RotX:-15 to13°; SVOL1: 3/7/25; SVOL2: 3/7/25; SVOL3: 3/7/25;SVOL4: 3/7/25 4) search volume: SVOL1: 10m by 15m by 3 m; SVOL2: 20m by 30m, by 6m; SVOL3: 40m by 60m by 12m;SVOL4: 80m by 120m by 24m 5) Estimation method: Ordinary Kriging	SOX : strong oxidation= 1.77 MOX : moderate oxidation= 2.08 WOX : weak oxidation= 2.60 FRS : fresh= 2.94	1) Visual validation: blocks Vs composites Vs raw data 2) Generation of basic statistics of blocks Vs composites Vs assays

Classification

Mineral Resources are classified into Measured, Indicated and Inferred categories based upon geological confidence. Measured Mineral Resources were confined to the fold hinge zone and a small zone along the north-eastern limb, in both cases these zones are supported by close spaced (10m) grade control drilling and are interpreted to provide the least amount of risk associated with geological interpretation and continuity of mineralisation. Indicated Mineral Resources are defined as areas outside the Measured Mineral Resource, estimated within the third search volume, and defined by 20m to 40m by 20m to 40m drill spacing. Inferred Mineral Resources include the remaining mineralisation estimated within search volume 4, below the optimised pit shell and above a cut-off grade of 2.0g/tAu.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures. Alternatively, it has also become industry recognised common practice to utilise '*mine stope optimisers*' or other underground optimisation techniques to constrain the reporting of underground Mineral Resources which incorporates a number of key elements including: aggregation of block model units into stope dimensions (minimum sub-level/level/cut and strike lengths); incorporation of minimum mining widths; and exclusion of stopes/mining which are distant from current and planned primary infrastructure.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Boungou Gold Mine reports its open pit Mineral Resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves save for

adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz for reporting open pit and underground Ore Reserves. Reporting of open pit Mineral Resources are constrained within resulting optimisation shells derived using a gold price of US$1,500/oz and in situ cut-off grades which range in accordance with deposit location and weathering type: oxide at 0.91g/tAu; transition at 0.91g/tAu; and fresh at 1.05g/tAu. Reporting of underground Mineral Resources are constrained within Mining Stope Optimiser ("**MSO**") shapes derived using a gold price of US$1,500/oz, minimum mining widths of 2.5m and in situ cut-off grade of 2.00g/tAu.

4.3.5 Mineral Resource Statements

As at 31 December 2020 Boungou Gold Mine reports total Mineral Resources (Table 4-7) of 15.3Mt grading 3.30g/tAu containing 1.6MozAu and comprising:

- Measured Mineral Resources of 1.9Mt grading 3.89g/tAu and containing 244kozAu;
- Indicated Mineral Resources of 12.5Mt grading 3.23g/tAu and containing 1,295kozAu; and
- Inferred Mineral Resources of 0.8Mt grading 3.03g/tAu and containing 82kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 0.1Mt grading 2.18g/tAu; and combined transitional/fresh material of 15.2Mt grading 3.31g/tAu. Mineral Resources reporting to stockpiles comprise a total of 0.5Mt grading 2.62g/tAu containing 40kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 4.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off grade determinations and constrained within an optimised open-pit shell assuming a long-term gold price of US$1,500/oz and application of cut-off grades to specific weathering type. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 5.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 4-7: Boungou Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
West o/p	1,102	4.73	168	35	2.59	3	-	-	-	1,068	4.80	165
East o/p	329	2.41	25	21	1.77	1	-	-	-	308	2.45	24
Underground	39	8.35	11	-	-	-	-	-	-	39	8.35	11
Stockpile	477	2.62	40	-	-	-	-	-	-	477	2.62	40
Subtotal	**1,948**	**3.89**	**244**	**56**	**2.28**	**4**	**-**	**-**	**-**	**1,892**	**3.94**	**240**
Indicated												
West o/p	3,005	3.26	315	3	2.70	0	-	-	-	3,003	3.26	315
East o/p	3,829	3.13	386	39	2.00	3	-	-	-	3,790	3.15	383
West Flank o/p	1,955	3.94	247	-	-	-	-	-	-	1,955	3.94	247
East Flank o/p	966	3.08	96	-	-	-	-	-	-	966	3.08	96
Underground	2,729	2.86	251	-	-	-	-	-	-	2,729	2.86	251
Subtotal	**12,484**	**3.23**	**1,295**	**42**	**2.05**	**3**	**-**	**-**	**-**	**12,442**	**3.23**	**1,292**
Measured + Indicated												
West o/p	4,108	3.65	483	37	2.60	3	-	-	-	4,070	3.66	479
East o/p	4,158	3.08	411	60	1.92	4	-	-	-	4,098	3.09	408
West Flank o/p	1,955	3.94	247	-	-	-	-	-	-	1,955	3.94	247
East Flank o/p	966	3.08	96	-	-	-	-	-	-	966	3.08	96
Underground	2,769	2.94	261	-	-	-	-	-	-	2,769	2.94	261
Stockpile	477	2.62	40	-	-	-	-	-	-	477	2.62	40
Subtotal	**14,432**	**3.32**	**1,538**	**98**	**2.18**	**7**	**-**	**-**	**-**	**14,334**	**3.32**	**1,532**

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred												
Underground	844	3.03	82	-	-	-	-	-	-	844	3.03	82
Subtotal	**844**	**3.03**	**82**	**-**	**-**	**-**	**-**	**-**	**-**	**844**	**3.03**	**82**
Mineral Resources												
West o/p	4,108	3.65	483	37	2.60	3	-	-	-	4,070	3.66	479
East o/p	4,158	3.08	411	60	1.92	4	-	-	-	4,098	3.09	408
West Flank o/p	1,955	3.94	247	-	-	-	-	-	-	1,955	3.94	247
East Flank o/p	966	3.08	96	-	-	-	-	-	-	966	3.08	96
Underground	3,613	2.96	343	-	-	-	-	-	-	3,613	2.96	343
Stockpile	477	2.62	40	-	-	-	-	-	-	477	2.62	40
Total	**15,276**	**3.30**	**1,621**	**98**	**2.18**	**7**	**-**	**-**	**-**	**15,178**	**3.31**	**1,614**

4.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 4-8 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are an overall reduction of 342koz which compares with total mining depletion of 107kozAu. There are however a number of significant adjustments which have occurred in 2020 comprising: incorporation of adjustments to MSO considerations for delineating potentially economic Mineral Resources amenable to underground mining (-ve 114koz); stockpile depletion (83koz); negative adjustments to the East Flank deposits; and positive adjustments to the East open pit and the West Flank open pit. Mineral Resources were reported within an optimised shell assuming a gold price of US$1,400/oz for 2016 through 2019 and US$1,400/oz for 2020.

Table 4-9 presents a total Mineral Resource comparison between historical reporting periods for Boungou Gold Mine from 2016 through 2020 inclusive. The analysis focuses primary on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. For the former and comparing a 2016 depletion adjusted 'estimate' of future Mineral Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resources have marginally increased. This should however be seen in view of a significant reduction (5.5Mt) in Inferred Mineral Resources and total (in situ basis) depletion of 4.7Mt grading 3.34g/tAu for a total of 509kozAu.

Table 4-8: Boungou Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
West o/p	1,102	4.73	168	(690)	(0.75)	(148)	1,793	5.48	316
East o/p	329	2.41	25	4	0.01	0	325	2.40	25
East Flank o/p	-	-	-	(419)	(4.40)	(59)	419	4.40	59
Underground	39	8.35	11	(28)	5.27	4	67	3.08	7
Stockpile	477	2.62	40	(652)	(0.79)	(83)	1,129	3.40	124
Subtotal	**1,948**	**3.89**	**244**	**(1,785)**	**(0.53)**	**(287)**	**3,733**	**4.42**	**530**
Indicated									
West o/p	3,005	3.26	315	691	0.22	89	2,315	3.04	226
East o/p	3,829	3.13	386	333	(0.07)	25	3,496	3.21	361
West Flank o/p	1,955	3.94	247	602	(0.32)	62	1,352	4.26	185
East Flank o/p	966	3.08	96	(449)	(0.50)	(67)	1,415	3.58	163
Underground	2,729	2.86	251	(1,042)	(0.21)	(121)	3,771	3.06	371
Subtotal	**12,484**	**3.23**	**1,295**	**136**	**(0.06)**	**(11)**	**12,349**	**3.29**	**1,306**
Measured + Indicated									
West o/p	4,108	3.65	483	0	(0.45)	(59)	4,107	4.10	542
East o/p	4,158	3.08	411	337	(0.06)	26	3,821	3.14	386
West Flank o/p	1,955	3.94	247	602	(0.32)	62	1,352	4.26	185
East Flank o/p	966	3.08	96	(868)	(0.68)	(126)	1,833	3.77	222
Underground	2,769	2.94	261	(1,069)	(0.13)	(117)	3,838	3.06	378
Stockpile	477	2.62	40	(652)	(0.79)	(83)	1,129	3.40	124
Subtotal	**14,432**	**3.32**	**1,538**	**(1,649)**	**(0.24)**	**(298)**	**16,081**	**3.55**	**1,836**
Inferred									
West Flank	-	-	-	(2)	(1.00)	(0)	2	1.00	0
East Flank	-	-	-	(394)	(3.73)	(47)	394	3.73	47
Underground	844	3.03	82	(79)	0.36	3	923	2.67	79

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Subtotal	**844**	**3.03**	**82**	**(474)**	**0.05**	**(44)**	**1,318**	**2.98**	**126**
Mineral Resources									
West o/p	4,108	3.65	483	0	(0.45)	(59)	4,107	4.10	542
East o/p	4,158	3.08	411	337	(0.06)	26	3,821	3.14	386
West Flank o/p	1,955	3.94	247	601	(0.32)	62	1,354	4.26	185
East Flank o/p	966	3.08	96	(1,262)	(0.68)	(174)	2,227	3.76	269
Underground	3,613	2.96	343	(1,148)	(0.03)	(114)	4,761	2.99	457
Stockpile	477	2.62	40	(652)	(0.79)	(83)	1,129	3.40	124
Total	**15,276**	**3.30**	**1,621**	**(2,124)**	**(0.21)**	**(342)**	**17,400**	**3.51**	**1,963**

Table 4-9: Boungou Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	18,831	2.46	1,487	-	2.46	-
2017	22,169	2.65	1,891	-	2.65	-
2018	18,698	2.87	1,723	1,109	2.87	102
2019	16,081	3.55	1,836	2,626	3.55	300
2020	14,432	3.32	1,538	1,001	3.32	107
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	18,831	2.46	1,487	-	-	-
2017	18,831	2.65	1,487	3,338	3.76	404
2018	17,722	2.87	1,385	976	10.77	338
2019	15,096	3.55	1,085	986	23.71	751
2020	14,094	3.32	978	338	51.60	560
Period	**Reported**			**Variance to 2016**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	6,298	3.72	754	-	-	-
2017	855	2.07	57	(5,443)	(1.65)	(697)
2018	1,874	2.77	167	(4,424)	(0.95)	(587)
2019	1,318	2.98	126	(4,980)	(0.74)	(628)
2020	844	3.03	82	(5,454)	(0.69)	(672)

4.3.7 Reconciliation

Reconciliation practices at Boungou Gold Mine have essentially transitioned to reflect practices specified in accordance with the Group Standard for the reconciliation of produced grade and tonnage. This outlines a process for the systematic collection, recording and analysis of mine production data relating to the exploration models, grade-control models, mining and metallurgical accounting statistics. The key statistical measures include the following metrics:

- Mineral Resource Model Factor ("**MRMF**") which compares ratio of the sum of plant accounted and stockpile changes to the Mineral Resource Model ("**MRM**") blocked to the selective mining unit ("**SMU**") and reported on an in-situ basis;
- Grade Control Model Factor ("**GCMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Grade Control Model ("**GCM**") blocked to the SMU and reported on an in-situ basis;
- Ore Reserve Model Factor ("**ORMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Ore Reserve Model ("**ORM**") reported on a diluted/re-blocked model basis;
- Mine Design to Mineral Resource Model Factor ("**MDMRMF**") which compares the mine design model (short term plan) survey results to the MRM blocked to the SMU and reported on an in-situ basis; and
- The Plant Received to Delivered to Plant ("**PR-DP**") is a measure of the estimated feed tonnage and grade in comparison to that measured in the Plant with measurements based on belt weightometer to mills and leach feed grade. The actual determination includes Plant Received less Delivered to Plant divided by Delivered to Plant.

The deposits at Boungou Gold Mine are systematically infilled by RC grade control drilling on a 10.0m by 10.0m pattern with 127mm holes. Due to the relatively flat dip of the orebody, GC holes are drilled vertically, with variable lengths to account for the dip of the orebody in the

pattern. Samples are collected in 1m increments from a cyclone and are split using a riffle splitter to produce samples of approximately 2kg mass. The same QA/QC protocol are applied as are used in the exploration stages. Samples are analysed for gold by fire assay at the site laboratory and GC models are updated after each drill programme applying interpolation by ordinary kriging.

Multiple reconciliation measures are calculated each month in order that the relationship between various stages in the model to mine to mill chain can be better understood. Principally the mining allocated (or declared ore mined) measure is calculated from the plant accounted tonnes and metal plus the change in stockpiles, which can then be compared to the depletion of the Mineral Resource and grade control models. The resultant factors indicate the net change or relative ore loss and dilution from infill grade control drilling, ore perimeter design, and mining process inclusive of blast movement. These factors can be used to modify the factors applied in short term and long-term planning processes.

Figure 4-5 presents the diagrammatic representation of the reconciliation analysis for all deposits at Boungou Gold Mine mined for a 24-month period ending 31 December 2020. It should be noted that in respect of the Boungou CIP Plant, the process feed comprises multiple feed sources which are co-processed and therefore all metallurgical accounting statistics are back allocated based on assumed contributions from stockpile reclamation and direct feed from the mining operations. Accordingly, as campaign processing of individual sources is not practiced it is extremely difficult to ascertain confidence in the detailed resolution at a deposit level. This aside, SRK notes that for the period in question the tonnage factors as determined for the above on a total production level ranges comparing the resource model and the declared ore mined indicates a factor of 1.02 for tonnage and a factor of 0.97 for contained metal. SRK notes however that the recent reconciliation workbooks only include limited mining data and as such erroneously reports lower than actual tonnages mined. When corrected the reconciliation of Mine design to Reserve Model indicates acceptable reconciliation.

Figure 4-5: Boungou Gold Mine: all deposits reconciliation analysis (24-month period ending 31 December 2020)

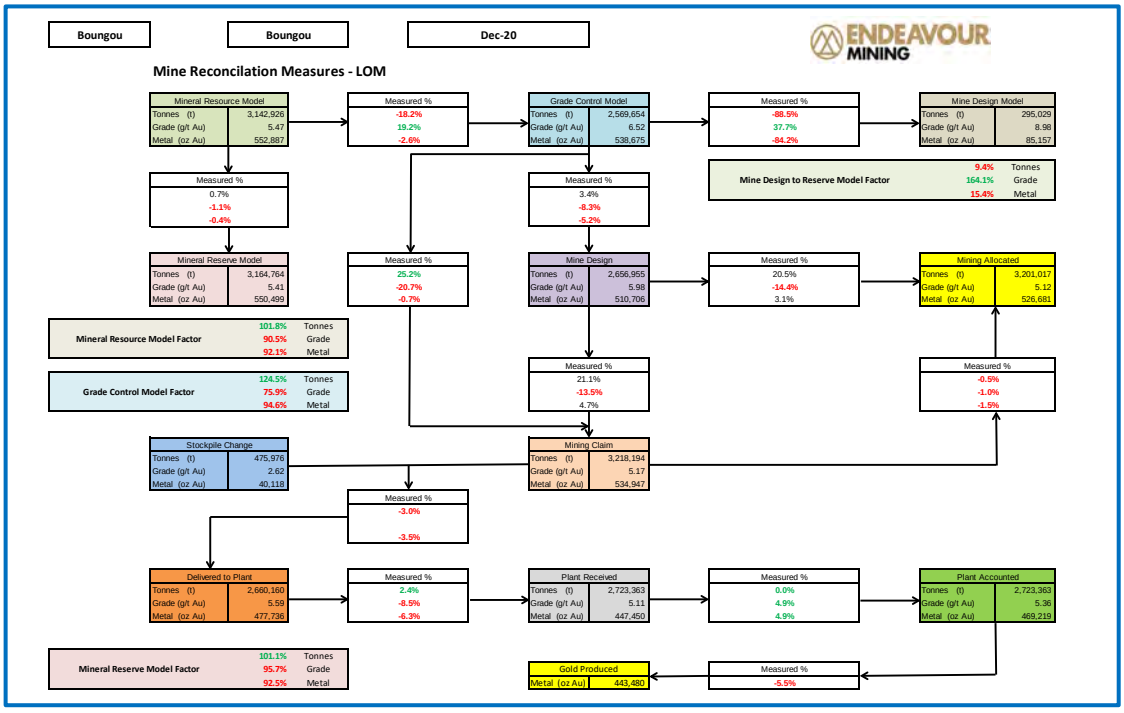


Table 4-10: Boungou Gold Mine: resource model to grade control to declared ore mined reconciliation

Total	Mineral Resource Model			Grade Control Model			Declared Ore Mined		
	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)
Historical									
2018	1,218	4.25	167	930	4.90	147	1,114	3.15	113
2019	1,562	5.28	265	1,235	6.98	277	1,629	6.03	316
2020	362	10.38	121	404	8.84	115	475	6.95	106
Total	**3,143**	**5.47**	**553**	**2,570**	**6.52**	**539**	**3,218**	**5.17**	**535**

Table 4-11: Boungou Gold Mine: reconciliation analysis

Deposits	MRM-GCM			GCM-DOM			RM-DOM		
	($F1_T$)	($F1_G$)	($F1_C$)	($F2_T$)	($F2_G$)	($F2_C$)	($F3_T$)	($F3_G$)	($F3_C$)
Historical									
2018	0.76	1.15	0.88	1.20	0.64	0.77	0.91	0.74	0.68
2019	0.79	1.32	1.04	1.32	0.86	1.14	1.04	1.14	1.19
2020	1.11	0.85	0.95	1.18	0.79	0.92	1.31	0.67	0.88
Total	**0.82**	**1.19**	**0.97**	**1.25**	**0.79**	**0.99**	**1.02**	**0.94**	**0.97**

4.3.8 Exploration Potential

Exploration potential at Boungou Gold Mine is focused on a number of extensions to existing mineralisation limits located within the current Boungou Licence and the nearby exploration permits comprising: Boungou North; Boungou Northwest; Boungou West; Osaanpalo; Natougou 2; Natougou 1; Pambourou; and TN045.

4.4 Mining and Ore Reserves

At the Boungou Gold Mine, the selected mining method is conventional open pit mining including drilling, blasting, loading and hauling. Following the security incident in November 2019, the mining contractor, African Mining Services, decided to terminate the contract at Boungou and SFTP Mining was appointed as mining contractor in August 2020 and commenced operations at Boungou Gold Mine on 15 October 2020. SFTP undertake all Load and Haul, Production and GC drilling, whilst Maxam is the explosives supplier and provides a down the hole service.

Near surface rock is highly weathered, though the weathering profile extends generally for less than 10m, with a minimal transitional zone before fresh rock is encountered. All mined ore is hauled to a RoM ore pad located adjacent to the ore processing plant or dumped directly into the primary crusher. Waste is hauled to ex-pit Waste Rock Dumps ("**WRDs**") and in certain instances is backfilled into the mined-out pit void or used for TSF construction as part of the current LoMp. The deposit is currently mined from three two distinct pits, approximately 580m to 1,800m long, 300m to 500m wide, 50m to 80m deep and approximately 50m to 100m apart. Haulage ramps are 20m wide and constructed at a 10% gradient, with ore and waste trucked using the same haul ramps. Dewatering of the pit area is required to maintain: access to the mine face; dry mining conditions for drill/blast and load/haul operations; and dry pit wall conditions for stability.

Production, drilling and blasting operations are carried out on 6m benches on ore and 9m bench on waste. To be able to achieve the best degree of selectivity, ore mining is undertaken on a 2m flitch. The highly weathered (strongly and moderately oxide) zones are amenable to free digging or soft blasting, though represents a very small portion of the LoMp. Emulsion is used in both wet and dry blasting conditions for efficiency. Blast monitoring is undertaken to model displacement due to blasting to minimise ore loss and dilution.

Since commencement of operations, Boungou Gold Mine has mined a total of 48.0Mt comprising 45.3Mt of waste, 2.7Mt of ore at grading 5.96g/tAu with a reported stripping ratio of 17.1t_{waste}:t_{ore}.

The current LoMp assumes mining of a total of 141.1Mt of material at a rate which increases to 29Mt in 2021 and peaking at 31Mt in 2023 and declining thereafter as Ore Reserves are depleted by 2026. Total Ore Reserves mined is reported at 8.1Mt grading 3.71g/tAu at an

average stripping ratio of 16.5t_{waste}:t_{ore}. Mining operations are planned to continue from 2021 through to 2026 at which point the current open pit Ore Reserves are depleted. The current LoMp assumes mining from three open pits, two of which are currently operational.

4.4.1 Historical Performance

Analysis of historical production (Table 4-12) to date indicates total material mined since commencement of operations of 24.8Mt contributing 3.2Mt of ore grading 5.10g/tAu at a stripping ratio of 6.8t_{waste}:t_{ore}. Following the security incident in late 2019 and the effective suspension of mining operations following demobilisation of the then mining contractor, mining production was significantly curtailed leading to high unit operating costs of US$5.90/tmined when compared with the prior steady state performance in 2018 and 2019 with the later period reporting US$1.50/$t_{mined}$. Performance in 2021 may be impacted as a result of the less than planned waste mined in 2020 which is crucial to achieve projected performance and ore availability in 2022.

Table 4-12: Boungou Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	24,835	-	-	-	9,022	13,279	2,534
Waste	(kt)	21,634	-	-	-	7,908	11,651	2,075
Ore	(kt)	3,201	-	-	-	1,114	1,628	459
	(g/tAu)	5.10	-	-	-	3.31	5.73	7.24
	(koz)	525	-	-	-	119	300	107
Stripping Ratio	(t_{waste}:t_{ore})	6.8	-	-	-	7.1	7.2	4.5
Opex								
Mining	(US$m)	46.23				11.69	19.95	14.59
Maintenance	(US$m)	0.36						0.36
Total	**(US$m)**	**46.59**	**-**	**-**	**-**	**11.69**	**19.95**	**14.95**
Mining	(US$/t)	1.86	-	-	-	1.30	1.50	5.76
Maintenance	(US$/t)	0.01	-	-	-	-	-	0.14
Total	**(US$/t)**	**1.88**	**-**	**-**	**-**	**1.30**	**1.50**	**5.90**

4.4.2 Mine Design, Planning and Scheduling

At the Boungou Gold Mine all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 2.0m (Z) dimensions. No further modifying factors are applied given the degree of mining selectivity achieved to date and the reasonable reconciliation assessments completed to date. Furthermore, the current Mineral Resources are reported from the regularised model which is also used for mine planning purposes. The regularised model includes an inherent dilution and loss of 18% and 5% respectively which is considered appropriate to reflect the current degree of mining selectivity achieve to date.

The current Ore Reserves are reported assuming a mill feed cut-off grade determined based on a suite of deposit specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. Assumed metallurgical recoveries range between 96.0% for oxide material and 92.0% for transitional and fresh material (Table 4-13).

The mining costs are initially determined assuming application of a range of mining related operating expenditures (Table 4-14) which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs assumed are based on a constant assumption of US$29.49/$t_{milled}$ (Table 4-15).

The resulting unit operating costs as derived from the block models are as reflected in Table 4-16 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades as determined assume a long-term gold price of US$1,300/oz a royalty determination of 4.00% and selling cost assumptions of US$6.50/oz. The resulting mill feed cut-off grade determinations are presented in Table 4-16 below and

range from a low of 1.20g/tAu to a high of 1.30g/tAu.

Table 4-13: Boungou Gold Mine: assumed metallurgical recoveries

Deposit	Recovery			LoM Recovery		
	Oxide (%)	Transition (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
West	96.00	92.00	92.00	-	-	92.38
East	96.00	92.00	92.00	-	-	92.38
West Flank	96.00	92.00	92.00	-	-	92.38

Table 4-14: Boungou Gold Mine: assumed mining cost inputs

Deposit	Waste Mining			Ore Diff+GC+Re+OH Mining			s/p	OVH
	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	(US$/t)	(US$/t)
West	1.80	1.86	1.96	1.50	1.50	1.50	-	-
East	1.80	1.86	1.96	1.50	1.50	1.50	-	-
West Flank	1.80	1.86	1.96	1.50	1.50	1.50	-	-

Table 4-15: Boungou Gold Mine: assumed operating cost inputs (cut-off-grade)

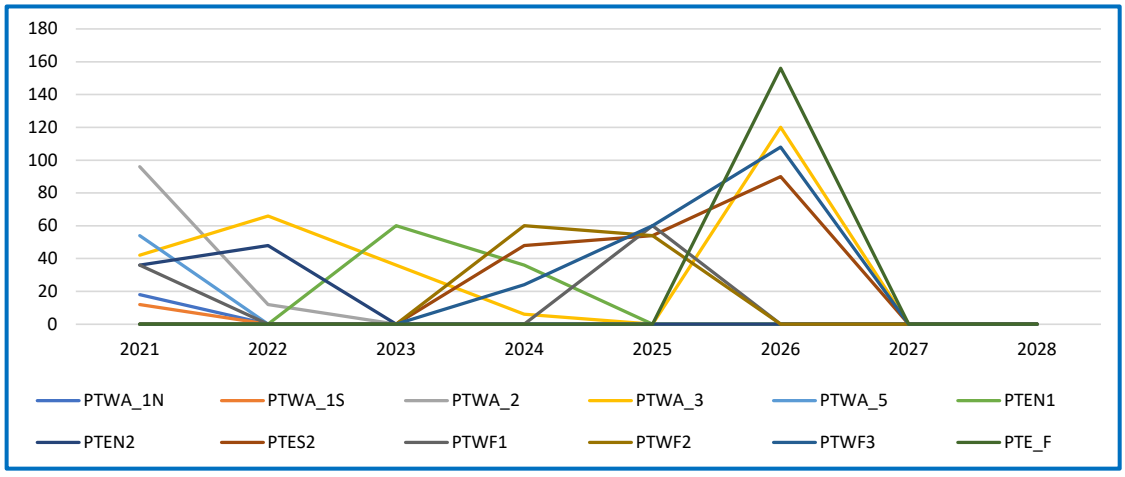
Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
West	3.46	29.49	29.49	29.49	17.46	46.95	46.95	46.95	50.41	50.41	50.41
East	3.46	29.49	29.49	29.49	17.46	46.95	46.95	46.95	50.41	50.41	50.41
West Flank	3.46	29.49	29.49	29.49	17.46	46.95	46.95	46.95	50.41	50.41	50.41

Table 4-16: Boungou Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
West	1.20	1.30	1.30
East	1.20	1.30	1.30
West Flank	1.20	1.30	1.30

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at Boungou Gold Mine, open pit sink rates are generally less than the recommended 80m to 100m range, however during the last year of mining operations the projected sink rates exceed this limit with the East Flank pit reaching 150m. Whilst this only occurs in the last projected year of operations, there remains a risk that this will not be achieved and as such some degree of production smoothing may be required in 2025 through 2026 and potentially 2027.

Figure 4-6: Boungou Gold Mine: open pit sink rate assessment



4.4.3 Hydrology and Dewatering

The average annual rainfall over the past three years 2018, 2019 and 2020 at Boungou is 784 mm, with a wet season from June to September. The geology of the pit comprises metabasalts and metavolcanic sediments with a relatively flat mineralised shear zone. Historical records indicate that dewatering rates peak in August (90,000m^3) with groundwater contribution in the order of 5,000m^3/month (167m^3/day).

Accordingly pit dewatering is required to secure low pore water pressure in the pit slopes and

in addition to maintaining dry mining conditions for drill/blast and load/haul operations. To date inflows are aligned with that predicted during earlier studies, specifically following the drainage of the high-level aquifers with groundwater seepage reducing to approximately 100m^3/day. Surface water is directed around the pit by a series of perimeter bunds and channels and is directed towards settlement ponds prior to release.

4.4.4 Mining Geotechnics

Golder Associates carried out the geotechnical analysis and design studies at the Boungou deposits for Orbis Gold between 2013 and 2014. The rock mass characterisation indicated a very thin saprolite/saprock domain (7m to 15m thick) underlain by very strong and competent metabasalts and metavolcanic sediments fresh rock mass domain. Structural fabric (joint and bedding) control pit wall stability. Current slope designs associated with the open pits have been developed by Xstract Mining Consultants Pty Ltd ("**Xstract**") in 2019. The pits have a long strike length and a relatively narrow section of saprolite exposed in the slopes. Apart from localised planar and minor wedge failures, the pit slopes at Boungou Pit are in stable condition. Rock mass characterisation to re-optimise the geotechnical design criteria (increase slope angle) is expected to be completed by end of Q2 2021

Table 4-17: Boungou Gold Mine: geotechnical and hydrogeological design considerations

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
All Open Pits	Various Geotechnical assessments completed between 2013 and 2020. Smaller pits using extrapolated criteria.	~ Sap IRA (°)	17.5	Sap Thickness (m)	20
				Sap IRA (°)	15
		~ Rock IRA (°)	62.2-66.4	Rock Thickness (m)	80
				Rock IRA (°)	60
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	No
	Open Pit Design Summary			OSA northwest (°)	48
				OSA southeast (°)	54
				Maximum Elevation (m)	270
				Minimum Elevation (m)	165
				Max Depth (m)	105

4.4.5 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Boungou Gold Mine (Table 4-18) includes 8.6Mt grading 3.65g/tAu and containing 1.0MozAu and comprising:

- Proved Ore Reserves of 1.7Mt grading 3.83g/tAu and containing 213kozAu; and
- Probable Ore Reserves of 6.8Mt grading 3.60g/tAu and containing 791kozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 41kt grading 2.14g/tAu; and transitional and fresh material of 8.0Mt grading 3.72g/tAu. Ore Reserves reporting to stockpiles comprise a total of 0.5Mt grading 2.62g/tAu containing 40kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as 'open-pit' and reported within engineered designs as referenced herein.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 1.20g/tAu to 1.30g/tAu.

Table 4-19 presents a summary of the Ore Reserves to gold price sensitivity which compares

the current Ore Reserves with the results of raw pit optimisations (measured and indicated categories only) with increasing gold price. In summary it is clear that at higher gold prices, increased mining inventory potential is dependent on conversion/upgrading of material currently classified in the inferred category as reflected by the current Mineral Resource statement reported at a gold price of US$1,500/ozAu. Currently Inferred Mineral Resources report 0.8Mt grading 3.03g/tAu for a total contained metal of 82kozAu all of which are classified as underground Mineral Resources.

Table 4-18: Boungou Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
West o/p	1,022	4.70	154	14	2.18	1	-	-	-	1,008	4.73	153
East o/p	228	2.48	18	0	1.47	0	-	-	-	228	2.48	18
Stockpile	477	2.62	40	-	-	-	-	-	-	477	2.62	40
Subtotal	**1,727**	**3.83**	**213**	**14**	**2.16**	**1**	**-**	**-**	**-**	**1,713**	**3.84**	**212**
Probable												
West o/p	2,692	3.45	298	-	-	-	-	-	-	2,692	3.45	298
East o/p	3,075	3.39	335	26	2.13	2	-	-	-	3,049	3.40	333
West Flank o/p	1,062	4.62	158	-	-	-	-	-	-	1,062	4.62	158
Subtotal	**6,830**	**3.60**	**791**	**26**	**2.13**	**2**	**-**	**-**	**-**	**6,803**	**3.61**	**789**
Ore Reserves												
West o/p	3,714	3.79	453	14	2.18	1	-	-	-	3,700	3.80	452
East o/p	3,303	3.33	353	27	2.12	2	-	-	-	3,277	3.33	351
West Flank o/p	1,062	4.62	158	-	-	-	-	-	-	1,062	4.62	158
Stockpile o/p	477	2.62	40	-	-	-	-	-	-	477	2.62	40
Total	**8,557**	**3.65**	**1,004**	**41**	**2.14**	**3**	**-**	**-**	**-**	**8,516**	**3.66**	**1,001**

Table 4-19: Boungou Gold Mine: mining Inventory gold price sensitivity analysis as at 31 December 2020[(1)]

Gold Price (US$/oz)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
1,300	8,557	3.65	1,004
1,400	8,850	3.57	1,016
1,500	9,166	3.48	1,027

(1) Note that the mining inventory reported at a gold price of US$1,300/oz reflects the current Ore Reserves as reported herein and that for the higher price assumptions these reflect the material reporting within raw optimisation shells which have not been subject to detailed engineering pit designs.

4.4.6 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 4-20 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted is an overall reduction of 229koz which compares with total mining depletion of 107kozAu. Ore Reserves were reported within designed shells assuming a gold price of US$1,100/oz for 2016 and US$1,200/oz for 2017 through 2019 and US$1,300/oz for 2020.

Table 4-21 presents a total Ore Reserve comparison between historical reporting periods for Boungou Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated additions (1.6Mt) despite depletion of 2.7Mt grading 5.96g/tAu for a total of 0.5Moz. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of resource upgrades completed at Boungou Gold Mine over the reporting period considered.

Table 4-20: Boungou Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
West o/p	1,022	4.70	154	(754)	(0.82)	(161)	1,776	5.52	315

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
East o/p	228	2.48	18	(97)	0.08	(7)	325	2.40	25
Stockpile o/p	477	2.62	40	(652)	(0.79)	(83)	1,129	3.40	124
Subtotal	**1,727**	**3.83**	**213**	**(1,503)**	**(0.64)**	**(251)**	**3,230**	**4.47**	**464**
Probable									
West o/p	2,692	3.45	298	472	0.32	75	2,220	3.12	223
East o/p	3,075	3.39	335	(421)	0.18	(26)	3,496	3.21	361
West Flank o/p	1,062	4.62	158	(290)	0.36	(27)	1,352	4.26	185
Subtotal	**6,830**	**3.60**	**791**	**(238)**	**0.22**	**23**	**7,068**	**3.38**	**769**
Ore Reserves									
West o/p	3,714	3.79	453	(282)	(0.40)	(85)	3,996	4.19	538
East o/p	3,303	3.33	353	(518)	0.19	(33)	3,821	3.14	386
West Flank o/p	1,062	4.62	158	(290)	0.36	(27)	1,352	4.26	185
Stockpile o/p	477	2.62	40	(652)	(0.79)	(83)	1,129	3.40	124
Total	**8,557**	**3.65**	**1,004**	**(1,741)**	**(0.07)**	**(229)**	**10,298**	**3.72**	**1,233**

Table 4-21: Boungou Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	9,567	4.15	1,276	-	-	-
2017	11,195	4.11	1,479	-	-	-
2018	10,939	3.94	1,387	568	5.59	102
2019	10,298	3.72	1,233	1,628	5.73	300
2020	8,557	3.65	1,004	459	7.24	107
Period	**2016 - Less depletion**			**2016 depleted Variance**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	9,567	4.15	1,276	-	-	-
2017	9,567	4.15	1,276	1,628	(0.04)	203
2018	8,999	4.06	1,174	1,940	(0.11)	213
2019	7,370	3.69	874	2,928	0.03	359
2020	6,912	3.45	767	1,645	0.20	237

4.4.7 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2026 with total material mined of 141.1Mt and comprising open pit ore of 8.1Mt grading 3.71g/tAu at an average stripping ratio of 16.5t_{waste}:t_{ore} (Table 4-22; Table 4-23). Oxide material contributes some 5.4% of total material mined with transitional and fresh material contributing 13.5% and 81.1% respectively. Mining production in 2021 is projected from three open pits (Figure 4-7; Table 4-24) which largely remain at this level until depletion in 2026.

Total mined material is planned to increase to 29Mt in 2021 and ultimately 31Mt in 2023 prior to reducing to 10.6Mt in 2026 on cessation of open pit mining. Ore tonnage mined generally remains range bound between 1.0Mt and 1.7Mt. RoM grades remain generally range bound between 3.0g/tAu and 4.7g/tAu.

Individual weathering ore types within each deposit are ascribed different cut off grades, however the mining schedule is largely driven by grade categories: high grade ("**HG**") for all ore greater than 5.0g/tAu; medium grade ("**MG**") for all ore greater than 3.0g/t; low grade ("**LG**") for all ore greater than 2.0g/t; and marginal ores ("**MO**") for which the cut-off grades align with the individual mill cut-off grades, however the marginal ores at Boungou Gold Mine are not processed and are accordingly reported as waste material.

Accordingly, the stockpiling strategy assumes the development of three main grade categories which are managed at the Boungou CIP Plant RoM pads. Table 4-25 presents a summary by deposit of the ore grade categories which indicate that HGO and MGO together contribute 75% of the tonnage and 89% of the contained gold mined with, LGO contributing 25% of the tonnage and 11% of the contained gold mine. Stockpile management over the LoMp indicates that total stockpile volumes remain at less than 1.0Mtpa with the low-grade ore stockpiles contributing the majority of this by measure of both tonnage and gold content.

Mining operating expenditures per deposit are reported in Table 4-26 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$1.89/$t_{mined}$ with

expenditures generally increasing over the mine life reflecting the varying haul distances over the operating life.

Table 4-22: Boungou Gold Mine: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
West	46,508	3,714	42,794	11.5	4.9	10.9	84.2
East	61,584	3,303	58,281	17.6	7.4	11.6	81.0
West Flank	33,047	1,062	31,984	30.1	2.5	20.5	76.9
Total	**141,138**	**8,080**	**133,059**	**16.5**	**5.4**	**13.5**	**81.1**

Table 4-23: Boungou Gold Mine: open pit deposits ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
West	3,714	3.79	453
East	3,303	3.33	353
West Flank	1,062	4.62	158
Total	**8,080**	**3.71**	**964**

Table 4-24: Boungou Gold Mine: open pit mining start and depletion periods

Deposit	Start	End
West	2021	2026
East	2021	2026
West Flank	2021	2026
Total	**2021**	**2026**

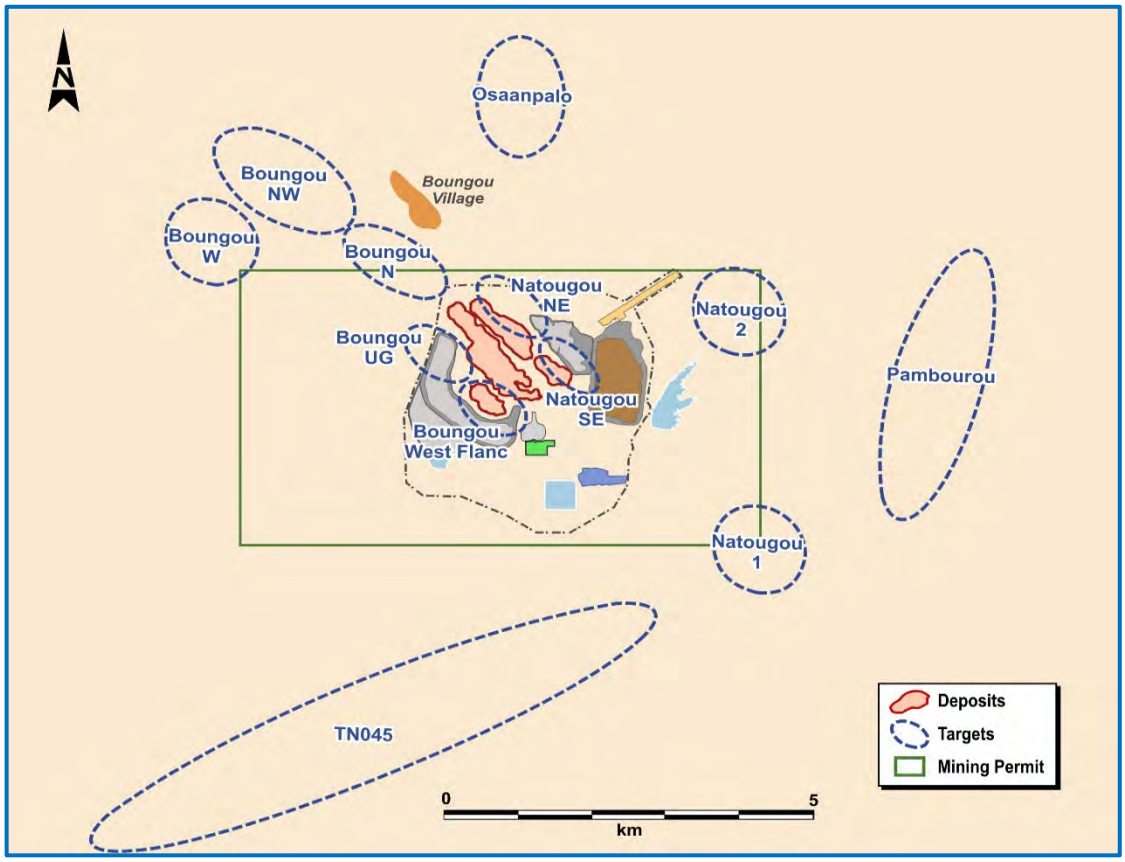
Table 4-25: Boungou Gold Mine: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
West	1,735	5.73	320	1,078	2.48	86	901	1.64	48
East	1,391	5.06	226	1,002	2.45	79	910	1.64	48
West Flank	682	6.04	132	199	2.49	16	181	1.64	10
Total	**3,808**	**5.54**	**678**	**2,279**	**2.47**	**181**	**1,993**	**1.64**	**105**

Table 4-26: Boungou Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
West	46,508	1.86	86.7
East	61,584	1.88	116.1
West Flank	33,047	1.92	63.5
Total	**141,138**	**1.89**	**266.2**

Figure 4-7: Boungou Gold Mine Site Layout



4.5 Mineral Processing

The Boungou CIP Plant was commissioned in 2018 with a nameplate capacity of 1.3Mtpa and was established to process mineralisation which is predominantly hosted in quartz veins with a significant quantity of the gold occurring as free gold. Sulphide minerals comprise pyrrhotite, arsenopyrite, pyrite, and minor chalcopyrite. A significant component of the gold is amenable to gravity recovery and consequently the processing facility comprises the following key areas: primary crushing and coarse ore storage; grinding utilizing a SAG Mill, vertical tower mill and pebble crusher ("**SATMC**") circuit; leach and CIP carousel circuit; gold recovery and carbon handling circuit (consisting of a cold acid wash followed by a split, Anglo American ("**AARL**") elution circuit and horizontal carbon regeneration kiln); and high density tailings handling and disposal.

The current LoMp assumes constant processing at a throughput of approximately 1.3Mtpa through to projected depletion of the Ore Reserves in 2027 with the last year processing stockpiled ore only.

4.5.1 Process Plant Feed

In general, the fresh ore feed at Boungou Gold Mine is an abrasive, competent ore with above average comminution energy requirements. The ore has a high-gravity recoverable gold content; leach kinetics are very slow even when gravity is not included in the flowsheet. High dissolved oxygen levels and lead nitrate are required to achieve fast leach kinetics and adequate gold recovery. Consumables for primary ore denote low to moderate lime consumption for fresh ores and moderate cyanide consumption.

A detailed metallurgical testwork program was undertaken from March 2013 to August 2015 under the direction of Lycopodium, with input from the former owners, Orbis Gold and later

Semafo, using HQ and PQ (123mm) drill core recovered from both resource and metallurgical drilling campaigns.

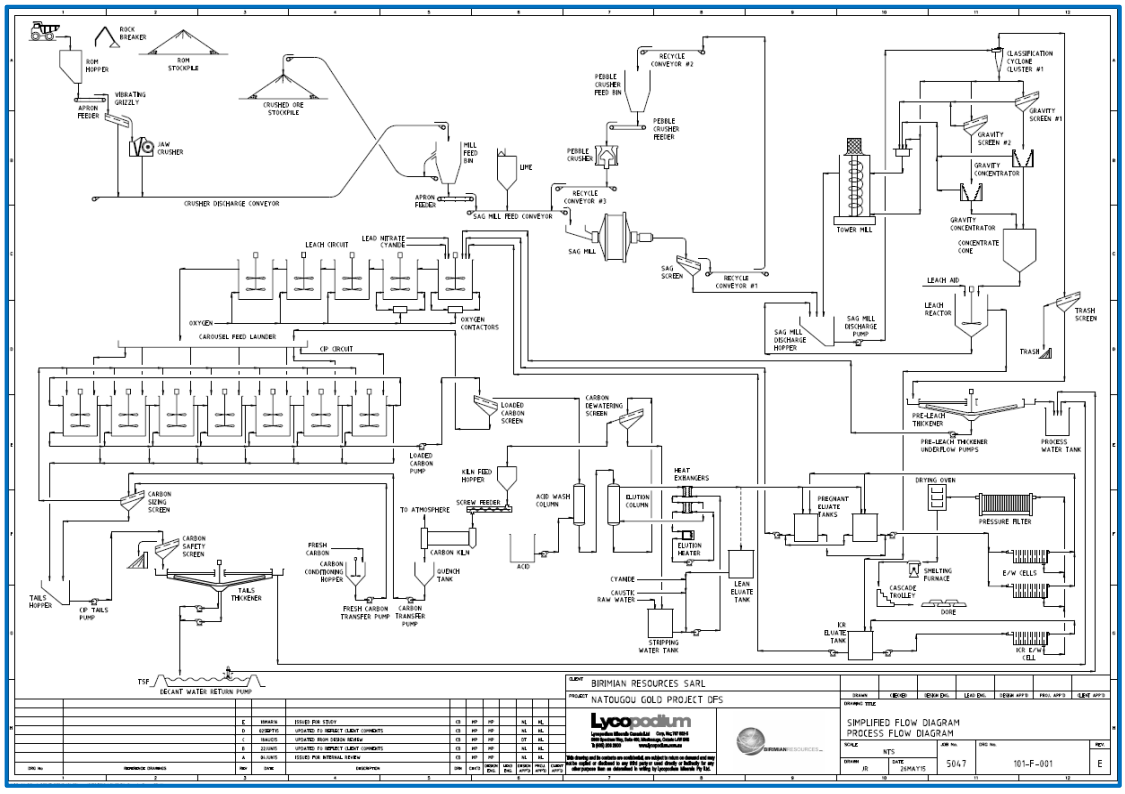
The variability testwork showed that overall gold recoveries for the fresh ore ranged from 84% to 99%. There was a distinct relationship between recovery in the gravity stage and overall recovery. LoM head grades for the process plant to date have ranged from 4.8g/tAu to 6.7g/tAu with accompanying recoveries ranging from 93 to 96%. Performance to date indicates that the residue grade is moderately correlated with the amount of coarse gold in the sample (measured by % gold in +75µm fraction of the screen fire assay), arsenic head assay, and gold head assay. Historically silver has been recovered into doré with a ratio of 0.1 units of silver for every 1 unit of gold recovered.

4.5.2 Flowsheet

The flowsheet (Figure 4-8) comprises the following key operating units:

- Single-stage primary crushing with a jaw crusher to produce a crushed product size of 80% passing (P80) of 133mm;
- Mill feed surge/overflow bin that overflows to an 8kt stockpile to provide 48 hours of capacity. During extended periods of up to two days for primary crusher equipment maintenance, ore from the stockpile is reclaimed by a loader to feed the grinding circuit;
- The grinding circuit is a SATMC type, which consists of a closed circuit semi-autogenous grinding ("**SAG**") mill, a pebble crusher for SAG mill discharge oversize and a closed-circuit vertical tower mill to produce a P80 grind size of 63µm;
- A gravity gold recovery circuit;
- Hydrocyclones are operated to achieve a cyclone overflow slurry density of 27% solids to promote better particle size separation efficiency. Subsequently, a pre-leach thickener is included to increase slurry density to the leach circuit, to minimize leach tank volume requirements and reduce overall reagent consumption;
- Leach circuit with five tanks to achieve the required 36 hours of residence time at nominal plant throughput. CIP carousel circuit consisting of seven stages is a carbon adsorption circuit for recovery of gold dissolved in the leaching circuit;
- AARL elution circuit with gold recovery to doré. The circuit includes an acid wash column to remove inorganic foulants from the carbon with hydrochloric acid;
- Charged solutions (obtained during elution and intensive cyanidation) are both sent to the refinery and processed in separate electrolysis cells;
- Carbon regeneration kiln to remove organic foulants from the carbon with heat;
- Tailings thickener to increase slurry density for water recovery prior to tailings discharge to the tailings storage facility; and
- The processing facility also includes water, air and oxygen services (storage and distribution), and reagent and grinding media storage.

Figure 4-8: Boungou CIL Plant: simplified flowsheet



4.5.3 Historical Performance

Analysis of historical performance to date indicates that process throughput has not yet attained annual capacity of 1.3Mtpa and for 2020 achieved 1.1Mtpa. Process recoveries have declined since 2019, however this is largely attributed to the lower grade stockpile material fed in 2020 as a result of cessation of mining operations following the security incident in 2019. Process plant availability is reported at 95.0% with comparatively low utilisation of 86.1% and average hourly throughput of 143t. Operating expenditures for 2020 indicated a total of US$36.83/$t_{milled}$ with direct processing contributing US$27.05/$t_{milled}$ and the balance reflecting maintenance related expenditures. As at 31 December 2020 the reported gold-in-circuit ("**GIC**") and finished goods ("**FG**") totalled 8kozAu which reflects a total of 17 days of current production.

Table 4-27: Boungou CIL Plant: historical operating statistics

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Ore	(kt)	2,723	-	-	-	613	1,000	1,111
	(g/tAu)	5.36	-	-	-	4.28	6.65	4.79
	(kozAu)	469	-	-	-	84	214	171
Recovery	(%)	93.0	-	-	-	81.5	96.0	94.9
Recovered	(kozAu)	436	-	-	-	69	205	162
Produced	(kozAu)	436	-	-	-	69	205	162
Sold	(kozAu)	429	-	-	-	60	214	155
Gold in Circuit	(kozAu)	8						8
Finished Goods	(kozAu)	-						-
Efficiency								
Availability	(%)							95.0
Utilisation	(%)							86.1
Throughput	(%)							143
Opex								
Processing	(US$m)	77.6	-	-	-	15.82	34.72	27.05
Maintenance	(US$m)	13.8	-	-	-	-	-	13.85
Total	**(US$m)**	**91.4**	**-**	**-**	**-**	**15.82**	**34.72**	**40.90**
Processing	(US$/t)	28.49	-	-	-	25.80	34.73	24.36
Maintenance	(US$/t)	5.09	-	-	-	-	-	12.47
Total	**(US$/t)**	**33.57**	**-**	**-**	**-**	**25.80**	**34.73**	**36.83**

4.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput of approximately

1.3Mtpa from 2021 through 2026 and reducing to 0.8Mt in 2027. Following cessation of mining operations in 2026, the Boungou CIP Plant continues to process stockpiled low-grade ores for a further year with processing operations terminating in 2027.

Total ore processed (Table 4-28) is reported at 8.6Mt grading 3.65g/tAu, the majority of which is classified as fresh ore. The weighted average metallurgical recovery projected over the LoMp is estimated at 93.9%. Over the LoMp period metallurgical recoveries are assumed to range between 89% and 95%. In 2027 the processing of stockpiled material significantly reduces the average feed grade to approximately 1.6g/tAu, accordingly the assumed recovery reduces to 88%.

Operating expenditures are derived based on deposit specific assumptions which vary by deposit and in certain instances by weathering type as reported in Table 4-29. The weighted average LoMp processing costs is forecasted at US$29.49/$t_{milled}$ which is assumed as constant over the LoMp period. This is lower than historically achieved to date and is assumed to reflect the increased tonnage throughput capacity and certain of the post-acquisition cost saving measures that the Group has identified.

Table 4-28: Boungou CIL Plant: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
West	3,714	3.79	453	-	-	-	3,714	3.79	453
East	3,303	3.33	353	-	-	-	3,303	3.33	353
West Flank	1,062	4.62	158	-	-	-	1,062	4.62	158
SP	-	-	-	477	2.62	40	477	2.62	40
Total	**8,080**	**3.71**	**964**	**477**	**2.62**	**40**	**8,557**	**3.65**	**1,004**

Table 4-29: Boungou CIL Plant: operating expenditures

Deposit	Processed (kt)	Opex (US$/t)	(US$m)
West	3,714	29.49	109.5
East	3,303	29.49	97.4
West Flank	1,062	29.49	31.3
SP	477	29.49	14.1
Total	**8,557**	**29.49**	**252.4**

4.6 Waste Management

Waste management at Boungou Gold Mine is primarily focused on the TSF and the various existing and planned WRDs which service the Boungou CIP Plant and open-pit mining operations respectively. Whilst the TSF is HDPE and clay lined, the current waste management facilities both with respect to operational, closure and post-closure considerations do not consider at present any detailed engineering consideration which may be required to address ARDML potential. Accordingly, SRK notes that whilst sufficient operating physical capacity exists to deposit and store waste arisings from the Boungou CIP Plant and the mining operations, post closure management has not yet been sufficiently advanced to rule out any further changes which may be required to address these items.

4.6.1 Tailings Storage Facility

The Boungou TSF (Figure 4-9) commissioned on 7 April 2018 is located 0.9km northeast of the Boungou CIP Plant and comprises a side-hill type facility, bounded to the east and north by topography and to the south and west by embankments. The site requires a single embankment along its south and western extents with a total embankment length of 1.7km and with a maximum embankment height of approximately 24m at the southwest corner. The eastern and northern margins of the storage facility are confined by a natural laterite ridge line, and therefore no supporting embankment is required along these margins

In accordance with ANCOLD Guidelines on Tailings Dam Design, Construction and Operation, the facility is classified with a High hazard rating and as such requires annual audits by a suitably qualified engineer appointed as an Engineer of Record ("**EOR**"). Furthermore, a dam

break assessment for the TSF, to update to the ANCOLD 2019 guidelines is planned for 2021.

The initial design capacity of the Boungou TSF was 9.6Mt assuming a dry placed tailings density of 1.26t/m^3 to 1.48t/m^3 and annual placement of 1.34Mtpa and a tailings beach area of 76.5ha. The design requires tailings to be pumped as a slurry at 64.5% solids and deposited sub-aerially to facilitate drying and consolidation of the tailings mass. The TSF is planned to be extended in six stages with the final stage constructed during 2026. The stage three lift is currently underway and will be completed in July 2021.

Stage 1 and Stage 2 are developed to an elevation of approximately 270.2m and the total storage capacity at that elevation is 2.35Mm^3 (or 2.87Mt). Stage 3 raise is in construction (March to July 2021) and under design review and QA/QC by Knight Piésold. This is anticipated to provide at least two years of additional tailings storage capacity and the total capacity of the Stage 3 raise is 5.8Mt. Further raising to Stage 6 (approximately 283m RL or 13m above the current elevation) will facilitate a total TSF capacity of 13.8Mt with total placed to date reported at 2.5Mt and the arisings reported in the LoMp being 8.6Mt providing for a total of 11.0Mt. The capital expenditures associated with the remaining lifts is forecasted at US$11.7m which provides for an incremental lift unit rate of US$1.36/t of tailings. On completion of Stage 6 the total expenditure for the facility since commissioning is estimated at US$22.1m which provides total capacity available rate of US$1.60/t.

The embankments comprise a downstream structural zone constructed of competent RoM waste rock, a transition zone comprising a gravelly weathered waste rock, and a low permeability embankment zone below the liner constructed from residual soil won from the open pit overburden stripping and local borrow areas. The downstream batter slope of the embankments is constructed at a slope inclination of 1V:2H.

Geochemical testing of two composite tailings samples were conducted and found to be non-acid forming but were highly enriched in arsenic which was soluble under the pH conditions anticipated in the TSF. As a result of the high arsenic in the tailings solids and supernatant a robust seepage control system comprising an above liner and underdrainage system, a geomembrane liner overlying a compacted in-situ low permeability sub-base and a sub liner seepage recovery drains were included in the design.

The upstream face and the basin floor are lined with a High-Density Polyethylene ("**HDPE**") geomembrane to provide the primary hydraulic containment for the facility. A decant structure was constructed approximately 100m away from the eastern ridgeline comprising a recovery tower and access causeway to allow supernatant water to be recovered from the facility and recycled to the process plant.

The design of the facility includes installation of standpipe piezometers, shallow and deep monitoring bores and survey pins to allow the performance of the facility to be monitored. An operating manual was prepared for the facility and annual audits are conducted by Knight Piésold (the appointed EoR) to ensure that the facility is being operated in accordance with the design intent and the facility is performing as intended. The last audit of the TSF by was conducted in Q1 2020 by Knight Piésold and no significant issues of material concern were noted in its latest report.

The associated surface water management and process water supply structures includes:

- a water storage facility ("**WSF**") lined with a HDPE geomembrane, with a maximum capacity of 1.3Mm^3; a pontoon mounted pump to recover water from the WSF via a concrete lined sump; as this is a 'land-raise' (no upstream catchment) there is no spillway, instead the storm surge capacity is provided within freeboard provision (750mm);

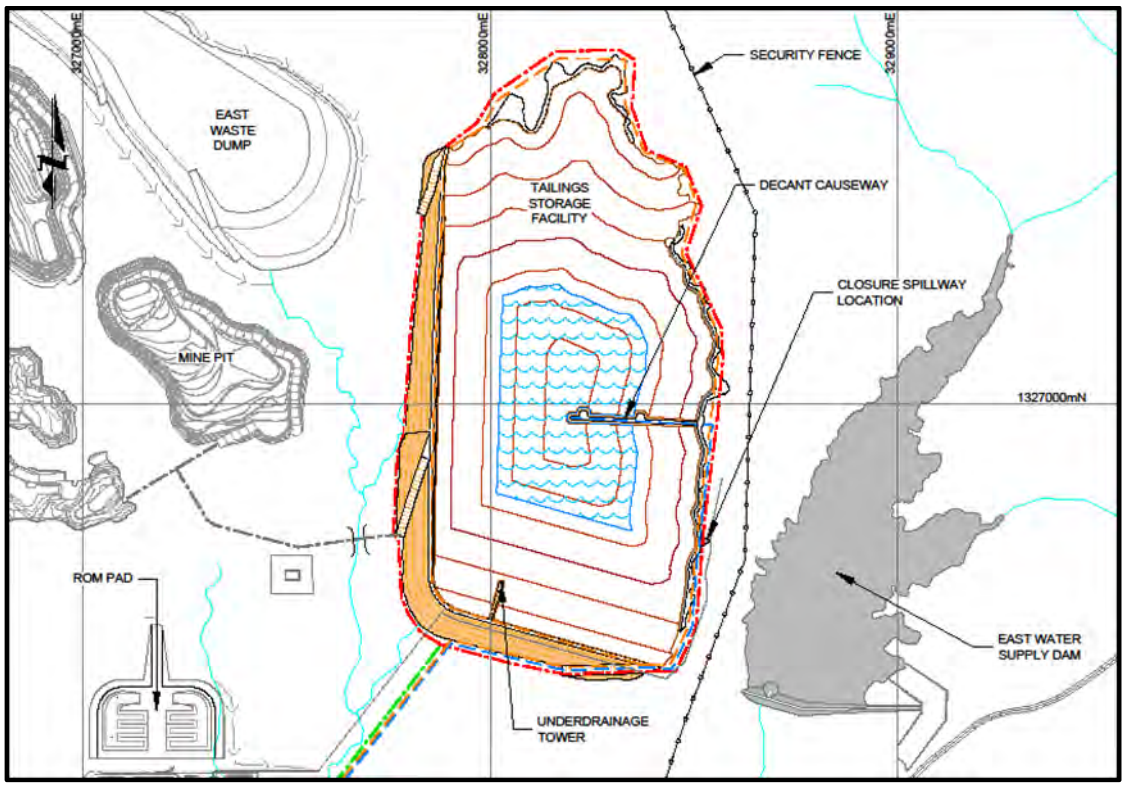
- an east water supply dam ("**EWSD**") with a storage capacity of 0.51Mm^3 and 0.71Mm^3 of harvested water per year; this is a cross-valley impoundment; homogenous low permeability fill with upstream slope protection (rockfill) and a downstream filter drain; a spillway for the EWSD is designed for a 1 in 200-year ARI storm event;
- a below ground west water supply sump ("**WWSS**") with a maximum capacity of 0.10Mm^3 and 0.86Mm^3 of harvested water per year; a 40m wide spillway for the WWSS; and
- 3 sediment ponds in decreasing capacity of east, west and north (ESP, WSP, NSP) with spillways for the ESP and the WSP.

A review of the recent (2018 and 2019) audit findings indicated: that the TSF, WSF, EWSD, WWSS, ESP and WSP were observed to be in good condition with no observed indications of deformation or distress; the TSF downstream monitoring data indicates groundwater and seepage water quality would need further analysis to ascertain the conditions in the area; the supernatant pond was large at the time of the site visit and the solids content of the tailings slurry was lower than the design value accordingly operations should maximize recirculation of supernatant pond water and use less make up water. The pond has now reduced and varies in accordance with the west season ahead of the dry. In the short term the tailings density was deliberately reduced to facilitate material to flow further into the facility and this has now returned to standard design operating criteria.

Table 4-30: Boungou CIL Plant deposition

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Arisings	(kt)	2,478	-	-	-	368	1,000	1,111
	(g/tAu)	0.27	-	-	-	0.38	0.27	0.25
	(kozAu)	22	-	-	-	4	9	9
TSF Placed	(kt)	2,478	-	-	-	368	1,368	2,478
	(g/tAu)	0.27	-	-	-	0.38	0.30	0.27
	(kozAu)	22	-	-	-	4	13	22

Figure 4-9: Boungou Tailings Storage Facility



4.6.2 Waste Rock Dumps

The total waste rock to be mined over the LoMp is estimated at 133.1Mt largely comprising transitional and fresh material. The mined material is stored in a combination of dedicated waste rock dumps (Waste Dump North, West Dump East) in-pit backfilling (West Pit, East Pit) and TSF construction requirements. All WRD's are operational. In-situ mined volumes are converted to loose cubic metres via appropriate bulking factors applied to material type which results in an overall weighted average of 1.20. Total waste material mined to date is estimated at 45.3Mt a portion of which was used in construction activities for the TSF. The current TSF LoMp construction requires an estimated 3.5Mm^3 of waste rock for construction as reported in Table 4-31 below.

Table 4-31: Boungou Gold Mine: LoMp Waste Rock Dump deposition

WRD	Remaining Capacity: Opening Balance (Mm^3)	LoMp (Mm^3)	Residual Capacity: Closing Balance (Mm^3)
WDON	0.04	0.04	-
WDOF	25.03	25.03	-
WDER	0.31	0.31	-
WDEN	7.93	1.33	6.60
WABF1	8.40	8.40	-
WABF2	12.13	11.51	0.63
WABF3	10.54	6.56	3.98
TSF	3.50	3.50	-
Total	**67.89**	**56.68**	**11.21**

4.7 Infrastructure

The Boungou Gold Mine has been in production since 2018 and has in place all the infrastructure required to support the open pit mining operation and 1.3Mtpa CIP Plant. This includes, but is not limited to, a secure water harvesting and storage facility, site-based power generation, accommodation and recreation facilities for all staff, an open pit mining fleet, the processing facilities, a tailings storage facility and all the necessary offices, warehouses and workshops to sustain the operation.

Boungou Gold Mine is located in an area of Burkina Faso which continues to experience security challenges, the most significant incident of which was the 2019 Security Incident which led to a curtailment of mining operations for a period of approximately one year and processing operations for 3-4 months. Following the acquisition, the Group has continued to consolidate security measures to ensure operational continuity by safer access to site for logistics and people including: RR28; and RN19 road consolidation; dedicated military unit to provide convoy services to ensure fluent logistics; and an air strip which has been extended to enable use of larger capacity fixed wing aircraft.

4.7.1 Access and Transportation

Access to Natougou is by means of Route Nationale RN04, an all-weather bitumen road from Ouagadougou, the capital of Burkina Faso, through Fada n'Gourma to the Ongarou junction. From there, travel is via a laterite road to the property 60km to the southeast. Fada n'Gourma is the nearest town with basic hospital, hotel and limited resupply facilities. Any significant supplies must be sourced from Ouagadougou.

Numerous tracks allow for access to most places throughout the Natougou area however during the wet season (August to October), heavy rains may temporarily restrict vehicle movement in the immediate area of the deposit.

4.7.2 Power Supply and Distribution

Power is generated on site from hybrid heavy fuel oil and light fuel oil generators, generating approximately 15.5MW. For the throughput of 1.34Mtpa, an estimated power consumption of 48.3kWh/t is required (30.9kWh/t for crushing and milling, and 17.4kWh/t for the remaining plant). The power plant has been sized at 11.6MW connected load to accommodate a peak

load of 9MW, and average running load of 6.4MW, with the configuration of three 2.5MW medium speed HFO units and five 1.6MW high speed diesel units. An evaluation to add a fourth medium speed HFO unit to reduce the average cost of power generation will be completed in 2021.

The electrical reticulation system is based on 6.6kV distribution and 400V, 50Hz working voltage. The 6.6kV feeder from the power plant feeds the site distribution 6.6kV switchboard. For the Boungou CIP Plant the 6.6kV supply is stepped down to 400V at each switchroom. 6.6kV overhead power lines provide power to various remote facilities (TSF pumps, bore pumps, WSF pump, water storage supply dam pumps, etc.). Pole mounted transformers step down the voltage at each location and supply an outdoor 400V switchboard local to each equipment area. The staff camp power is supplied from a local MCC/transformer fed from the 6.6kV overhead line.

4.7.3 Water Supply

The total water demand for the site is estimated at between 1.1Mm^3 and 1.4Mm^3 per year. The water demand for the process plant amounts to 0.75Mm^3, which includes the process raw water requirement of 0.25Mm^3. The demand is met from TSF decant, pit dewatering (including precipitation on the pit area), runoff from the RoM pad and plant site and sediment impacted runoff collected in the sediment control ponds.

The balance of the water demand is made up of raw water harvested from two creeks located to the east and west of the process plant which supply an east water dam 1.5km to the north east and a west water supply sump 2.0km to the west south west. In addition, there is a raw water pond that acts as a supplementary water storage facility. In 2020, raw water consumption averaged 0.26m^3/t. The actual level of water storage on site provides sufficient amount of water for more than a year of production.

A common potable water system is provided for the accommodation camps and process plant usage and is located at the staff camp and distributed to the various users. Water is delivered via a reticulation system using a constant pressure variable flow pump system. The pump skid includes an ultraviolet disinfection unit to provide additional security against contamination.

4.7.4 Hydrocarbon Storage

Bulk fuel supply is provided by the fuel supplier (TOTAL). There is an onsite fuel storage facility with approximately three-weeks storage of HFO (800m^3) for the medium speed gensets and diesel (1,155m^3) for the mining and ancillary fleet and high speed gensets. Day storage tanks are provided at the power plant and in the process plant. Diesel fuel dispensing is also provided for the mine trucks and light vehicles.

4.8 Human Resources

Boungou Gold Mine presently reports 1,110 TEC of which 290 are reported as employees comprising 42 expatriates and 248 nationals (Table 4-32). Table 4-33 presents the historical productivity metrics reported from 2017 through 2020 inclusive. This indicates that total material processed per TEC per month has increased to 83t/TEC/m whilst gold production has reduced to 379g/TEC/m when compared with 2019.

Table 4-32: Boungou Gold Mine: historical human resources

Statistic	Units	2018	2019	2020
Expatriates	(No)	n/a	n/a	42
Nationals	(No)	n/a	n/a	248
Subtotal	**(No)**	**n/a**	**n/a**	**290**
Contractors	(No)	n/a	n/a	758
Daily Workers	(No)	n/a	n/a	62
Total	**(No)**	**n/a**	**n/a**	**1,110**
Management Localisation	**(No**	n/a	n/a	26.0
Labour operating expenditure	(US$k)	n/a	n/a	14,067

Statistic	Units	2018	2019	2020
	(US$/TEC/m)	n/a	n/a	4,042

Table 4-33: Boungou Gold Mine: Historical productivity metrics

Statistic	Units	2017	2018	2019	2020
Physicals					
Processed	(kt)	-	368	1,000	1,111
Produced	(kozAu)	-	64	205	162
Productivity					
TEC	(No)	-	1,110	1,110	1,110
	(t/TEC/m)	-	28	75	83
	(g/TEC/m)	-	149	479	379

4.9 Occupational Health and Safety

Occupational health and safety at Boungou Gold Mine is managed in accordance with an in-house management framework. Review of historical statistics from 2017 (Table 4-34) show a general increase in the AIFR rate to a value of 6.52/mmhr in 2020. In 2020 a total of 270 malaria cases were reported which is equal to that reported for 2019.

Table 4-34: Boungou Gold Mine: historical occupational health and safety statistics

Statistic	Units	2015	2016	2017	2018	2019	2020
Safety							
Fatality	(No)	-	-	-	-	-	-
Lost Time Injury	(No)	-	-	-	-	-	-
Total Time	(m.hrs)	-	-	2.93	2.91	2.33	1.69
LTIFR	(No/mmh)	-	-	-	-	-	-
AIFR		-	-	2.43	5.16	6.00	6.52
Occupational Health							
Malaria Cases	(No)	n/a	n/a	447	214	270	528

4.10 Environmental and Social Management

4.10.1 Environmental Authorisations

Environmental approval for the Boungou Gold Mine, historically referred to as Natougou Project, was obtained in October 2016 (Arrêté 2016-418/MEEVCC/CAB), on the basis of an ESIA compiled for the project. Conditions of approval in the environmental licence for the Boungou Gold Mine require inter alia: compliance with the ESMP and commitments made, stakeholder engagement and grievance mechanism, compensation of people affected by the project, avoiding resettling of a buffer zone around the mine, supporting local community development, preferential use and training of national labour and submission regular compliance and audit reports.

A Relocation Action Plan ("**RAP**") was prepared with the ESIA as required in the Decree on Environmental Assessment Procedures (Decree No. 1187-2015). Environmental approval was granted in February 2019 for the construction of an on-site airstrip at Boungou Gold Mine (2019-17/REST/PTAP/CPTG/SG). Boungou Gold Mine has not been required to obtain approvals for emissions and mine waste disposal.

4.10.2 Environmental and Social Matters

Environmental and Social Setting

The Boungou Gold Mine is situated at 250m above mean sea level in the semi-arid Sudano-Sahelian climate region. The landform is characterised by hills and depressions. Livelihoods are primarily based on agriculture, employing traditional methods, and artisanal mining.

Local prospects improved with the growing of cotton as a cash crop and the introduction of artisanal mining in the 1990s, which attracted migrants to the region and reduced once-common out-migration. Security pressures have increased in recent years, and terrorist attacks on roads and artisanal mining concessions affect lives and livelihoods.

Services and infrastructure are poorly developed. Malaria, diarrhoea and respiratory illnesses are prevalent in the area, as is drug use. There are numerous primary schools and adult literacy centres in the region, but secondary schools and vocational training centres are limited. All

villages have sites of cultural importance, including altars, sacred natural sites, tombs and cemeteries.

Natural vegetation comprises shrubby savannah with isolated strands of trees, forest galleries in riparian zones and some grassland. Vegetation is significantly degraded and transformed by agriculture, grazing, gathering and artisanal mining. Fauna diversity and density is low due to anthropogenic pressures. Two wildlife conservation areas are located 70km east and 20km south of the mine area.

The ESIA study area has a dense river system with numerous small ephemeral streams. Riparian areas are cultivated. The Diamangou River south-east of the project is the main watercourse in the area and this river flows eastwards into Niger and is a tributary of the Niger River. The local population obtains water from surface and groundwater sources and the region experiences periodic drought; flash floods occur after heavy rain events.

Approach to Environmental and Social Management

A comprehensive ESIA dated August 2016 was prepared for the Boungou Gold Mine by WSP Canada. Impacts on the biophysical environment are deemed of low to medium significance on the basis that the natural environment is degraded, the operation does not discharge effluent and has designed for groundwater protection. Impacts on the social environment were deemed of medium significance, as the mine affects nearby populations and required some resettlement. Detailed resettlement planning was undertaken after approval of the ESIA and is documented in the resettlement report compiled by Burkinabe consultant Socrege in June 2020. Benefits arise from economic and development contributions. The ESIA report includes conceptual emergency response, environmental and social management and monitoring and closure plans.

Environmental management is guided by the Environmental and Social Management Plan compiled for the ESIA, which requires inter alia monitoring of water and effluent quality, erosion, groundwater levels, air quality and revegetation, management of dust and noise and stakeholder engagement and support. No effluent is discharged to the environment under normal operating conditions.

Endeavour is in the process of aligning the Boungou Gold Mine environmental management system with ISO 14001:2015 requirements. The Group is in the process of compiling a legal register to formally track compliance with commitments and obligations in permits and agreements.

Environmental inspections and health and safety inspections are undertaken annually by BUNEE and BUMIGEB, respectively. Audits planned by regulatory authorities for December 2019 were not conducted due to security issues in the Est Region of Burkina Faso, rendering the area largely inaccessible.

Stakeholder consultation was undertaken during the ESIA, RAP and environmental approval processes. Boungou Gold Mine has a dedicated team that engages with communities near the mine. Opportunities for community engagement are now limited to engagement with key representatives due to security issues.

Boungou Gold Mine has initiated steps to formalise stakeholder engagement via a stakeholder engagement plan and supports the establishment of a community consultation committee as an information-sharing forum focussed on constructive relationships, community development initiatives and grievances. With the fragile livelihoods prevailing in the surrounding communities, the expectations of communities for assistance by the mine is high. Key community grievances relate to recruitment and job provision, training and requests for support

and infrastructure maintenance.

At Boungou Gold Mine 86% of the workforce are nationals, 6% are women and 34% are from locally impacted communities. West African staff represents 33% of senior management, 11% are nationals. The mine procures more than two thirds of its supplies from local and regional sources. The mine makes mandatory annual contributions of 1% of revenue to a local mining development fund. The recent Burkina Faso EITI report, dated February 2021 and for the Year 2019, records that Boungou Mine made a mandatory contribution of US$3m in 2019. Boungou Gold Mine periodically contributes to community development through voluntary actions and assisted the Est region with its COVID-19 response.

There is limited reporting of water monitoring data providing information on arsenic and cyanide levels on the TSF, waste rock dumps and downstream water resources. In 2020 The Group initiated preparations for an ICMC compliance audit at Boungou Gold Mine.

Resettlement

A RAP was compiled and approved with the ESIA and commits to observing relevant legislation and international standards. The RAP was implemented between October 2016 and April 2019 under the supervision of a committee chaired by the High Commissioner and guided by a local committee representing project affected people and community authorities.

Resettlement included relocation of 168 households (comprising 895 persons), community infrastructure, a mosque and a church in late 2017. Allocation of replacement agricultural land is ongoing. Compensation was paid for loss of agricultural land, agricultural produce and structures in the mine footprint. Issuing of land titles to resettled people is underway and limited resettlement was required for the airstrip construction. The Group plans to audit resettlement and livelihood restoration programs and no further resettlement is anticipated in the foreseeable future.

In support of livelihood restoration, project affected people were issued with seeds and fertiliser and received agricultural and financial training and assistance with re-establishment of agricultural plots and a grazing area is ongoing. Security issues in the area prevented subsequent monitoring of resettlement success and limit implementation of programmes.

Other Issues – Illegal Mining

The site has a history of artisanal mining and several unauthorised artisanal and small-scale mining sites encroach on the Boungou Licence. Artisanal miners have vacated sites in the Licence area on request of the Boungou Gold Mine and will be requested to do so again when re-establishing in the Licence area.

Other Issues – Water Impacts

Geochemical testing found that tailings are non-acid forming but high in arsenic. The TSF is designed to prevent groundwater pollution from arsenic and cyanide and have zero discharge. Further investigation is required to assess the possibility of polluted discharge during high rainfall events. The 2017 closure plan for the Boungou Mine assumes that pits are partially backfilled with waste rock and allowed to gradually fill with water and further investigation is required to ascertain the potential for arsenic leaching from waste rock.

Security

An attack in November 2019 on an escorted convoy of mine employees and contractors on the RR28 road between Fada n'Gourma and the Boungou Gold Mine site resulted in fatalities, and a suspension of operations. Following implementation of a detailed security plan in partnership with the Burkinabe government, the mine was re-opened in February 2020 with processing of

stockpiles and open pit mining recommencing with a new mining contactor in October 2020. Mine employees are now flown to and accommodated on the site during their work rotation.

Energy, Emissions and Water Usage Metrics

Table 4-35 presents a summary of the energy, emissions and water usage metrics at Boungou Gold Mine for the period 2017 through 2020.

Table 4-35: Boungou Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	-	368	1,000	1,111
Energy Consumption	(MWh)	-	n/a	n/a	269,805
	(kWh/t)	-	n/a	n/a	243
Water Consumption	(Ml)	-	n/a	n/a	227
	(Ml/t)	-	n/a	n/a	204
GHG Emissions	(tCO_2e)	-	n/a	n/a	69,677
	($kgCO_2e/t$)	-	n/a	n/a	62.7

4.10.3 Mine Closure

The 2017 closure plan for the Boungou Gold Mine assumed that pits are partially backfilled with waste rock and allowed to gradually fill with water. Waste rock berms will be constructed around dangerous areas, including pits, with signposts to stop the community from entering the area. The concept for closure of the TSF includes capping with a geomembrane followed by a 1m rock and soil layer to facilitate revegetation. It was recognised that alternative methods may be required or proposed during subsequent closure plan reviews. Evaluation of rehabilitation methods using experimental cells during operation is envisaged.

The closure plan anticipates that passive water treatment will be required at waste rock dumps to reduce arsenic concentrations, however it is clear that further validation of treatment efficiency is required. Waste rock may be separated by arsenic content to allow targeted management. Infrastructure and buildings not used by communities or for post-closure monitoring will be removed and a third of the site is planned to be revegetated.

A financial provision for closure is held in an escrow account in a bank in Burkina Faso. The amount for Boungou Gold Mine as of 31 December 2020 is US$3.9m. The contributions are calculated as a function of material (ore and waste rock) mined (at a rate of US$0.01/t). It is anticipated that the closure plan will be updated and aligned with the Group Standard on Mine Closure.

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$11.3m for Boungou Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$17.4m (Table 4-36) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence in 2025, three years prior to planned cessation of mining and processing operations. In accordance with the three main sub-divisions of expenditures the total LoMp closure costs comprise: pre-closure expenditures of US$9.1m; closure related expenditures of US$3.3m; and post closure monitoring expenditures of US$5.1m. In addition to the mine closure costs Table 4-36, the retrenchment costs are estimated at US$3.0m which provides for a total LoMp Environmental and Social Liability estimate of US$20.4m.

It is however important to note that the Group immediate closure as presented in Table 4-36 reflects the Groups current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the

principal reasons for the variances from that current reflected in the ARO estimate by the Group.

Furthermore, SRK understands that the amount currently accumulated in the escrow account for Boungou Gold Mine held by the Bank of Africa is estimated at US$3.9m.

Table 4-36: Boungou Gold Mine Environmental and Social Liabilities[(1)]

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	796	796
Waste dumps	3,969	5,432
TSF	1,094	2,374
RoM Pad & Stockpile	48	48
Leach pads	-	-
Explosive Magazine	100	100
Plant	137	1,053
Mobile maintenance workshop	-	-
Hydrocarbon	-	-
Road	-	-
Monitoring	4,048	4,048
Tailings Water Treatment	44	44
Buildings and Infrastructure	-	-
Indirect	-	-
Contingency	1,023	3,474
Total	**11,258**	**17,370**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

4.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to Boungou Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 4-37; Table 4-38). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 4.4 and Section 4.5 of this CPR which projects processing of a total of 8.6Mt grading 3.65g/tAu with weighted average recovery of 93.9% to produce 0.9Moz of gold.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold produced is determined at 943koz and inclusion of GIC and FG adjustments results in total sales of 942koz.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Boungou Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$1.89/$t_{mined}$ and US$29.49/$t_{milled}$ respectively;
- Site General and Administration annual operating expenditures assumed at US$21.0m in 2021, thereafter averaging US$16.8m for the remainder of the LoMp. The reduction in general and administration costs from 2022 onwards is largely related to the use of fixed wing aircraft vs the current use of helicopter for specific transportation;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$5.8m and the LoMp weighted average unit rate per tonne milled is estimated at US$2.57/t;
- Commodity prices for primary consumables inclusive of base prices, transport costs and duties comprising: activated carbon (US$3,270/t); lime (U$$450/t); steel balls (US$1,300/t); caustic soda (US$2,400/t); cyanide (US$630/t); hydrochloric acid (32%) (US$430/t); and fuel delivered to site at (US$1.09/l);
- Royalties determined in accordance with the sliding scale referenced in Section 4.2, other related third-party royalties and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 1.0% of the projected sales revenue determined on the basis of gold sales and the gold price assumptions as reported herein. As for the royalty determinations these are not included in the TEPs and are reported in Section 15 of this CPR;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.00/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Burkina Faso which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures which largely reflects expenditures relating to TSF lifts necessary to support continued depletion of the Ore Reserves beyond 2023 and

is estimated at US$4.8m and is directly allocated for security enhancement expenditures;

- Sustaining capital expenditures (US$24.9m) inclusive of Boungou CIP Plant sustaining capital (US$12.4m) provisions estimated at US$1.45/$t_{milled}$, and TSF lifts related capital expenditures (US$11.7m) and other general sustaining capital elements included in the 2021 budget of US$0.9m
- Capitalised waste estimates as reference above and amounting to a total of US$107.9m over the LoMp; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$20.4m.

Table 4-37: Boungou Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	141,138	28,788	24,454	31,040	25,507	20,707	10,643	-	-	-
Waste	(kt)	133,059	27,384	22,745	29,689	24,268	19,427	9,547	-	-	-
Ore	(kt)	8,080	1,404	1,710	1,352	1,239	1,280	1,095	-	-	-
	(g/tAu)	3.71	4.70	3.00	3.07	3.76	3.72	4.25	-	-	-
	(kozAu)	964	212	165	134	150	153	150	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	16.47	19.50	13.30	21.97	19.59	15.18	8.72	-	-	-
Ore Processed	(kt)	8,557	1,266	1,248	1,218	1,275	1,343	1,339	868	-	-
	(g/tAu)	3.65	5.32	3.54	3.31	3.70	3.62	3.77	1.63	-	-
	(kozAu)	1,004	216	142	130	152	156	163	45	-	-
Recovery	(%)	93.88	95.07	93.77	93.50	93.93	93.85	94.01	89.20	-	-
Production	(kozAu)	943	206	133	121	142	147	153	40	-	-
Poured	(kozAu)	943	206	133	121	142	147	153	40	-	-
Sales											
Gold	(kozAu)	942	206	133	121	142	147	153	40	-	-
Operating Expenditure											
Mining	(US$m)	(266.2)	(54.45)	(45.74)	(58.77)	(47.97)	(39.11)	(20.18)	-	-	-
Processing	(US$m)	(252.4)	(37.34)	(36.80)	(35.92)	(37.61)	(39.61)	(39.50)	(25.59)	-	-
SG&A	(US$m)	(121.6)	(20.95)	(17.16)	(16.64)	(17.64)	(18.82)	(18.76)	(11.67)	-	-
CG&A	(US$m)	(22.0)	(5.76)	(3.43)	(3.02)	(2.71)	(2.91)	(3.19)	(0.99)	-	-
Realisation	(US$m)	(2.8)	(0.62)	(0.40)	(0.37)	(0.43)	(0.44)	(0.46)	(0.12)	-	-
Capitalised Waste	(US$m)	107.9	24.78	18.77	31.40	32.54	-	0.40	-	-	-
Total	**(US$m)**	**(557.2)**	**(94.34)**	**(84.76)**	**(83.31)**	**(73.82)**	**(100.88)**	**(81.68)**	**(38.37)**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(4.8)	(4.77)	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(24.9)	(5.77)	(1.81)	(4.26)	(1.85)	(4.95)	(5.03)	(1.26)	-	-
Capitalised Waste	(US$m)	(107.9)	(24.78)	(18.77)	(31.40)	(32.54)	-	(0.40)	-	-	-
Environmental Closure	(US$m)	(20.4)	-	-	-	-	(0.38)	(0.38)	(3.43)	(11.17)	(1.01)
Total	**(US$m)**	**(158.0)**	**(35.33)**	**(20.58)**	**(35.66)**	**(34.39)**	**(5.33)**	**(5.82)**	**(4.69)**	**(11.17)**	**(1.01)**

Table 4-38: Boungou Gold Mine Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Recovery	(%)	-	-	-	-	-	-	-	-	-	-
Production	(kozAu)	-	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sales											
Gold	(kozAu)	-	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(1.01)	(1.01)	(1.01)	(1.01)	-	-	-	-	-	-
Total	**(US$m)**	**(1.01)**	**(1.01)**	**(1.01)**	**(1.01)**	**-**	**-**	**-**	**-**	**-**	**-**

4.12 Risks and Opportunities

The key **risks** relating to Boungou Gold Mine are:

- **Geological Modelling and Mineral Resources:** the current geological models as

developed for the Boungou deposits comprise geological models developed by a number of previous owners which have not yet been subject to detailed re-assessment in accordance with the general approach and standards adopted by the Group. Whilst in general the supporting data density is considered appropriate to support the reporting of Mineral Resources reported in accordance with the JORC Code (2012) there remain a number of areas which require to be addressed in future geological modelling and resource modelling updates.

In summary the geological modelling reflects domaining of the Boungou Main Shear zone and visual assessment of the distribution of the assay data, the trend and geometry of the estimation domains are considered reasonable. Notwithstanding this, there are a number of significant mineralised intercepts in the hangingwall of the southeastern limb that are not captured in the model. Although these intercepts do not show the same degree of continuity as the main shear, there is sufficient supporting data to include these zones in future iterations of the model.

The selected compositing interval (1m) and capping levels are broadly appropriate, although further measures to constrain the influence of very high grade samples in the northwest of the fold hinge (HG domain) should be considered, either in the form of further sub-domaining, or through the use of a distance restriction on a subset of high grade samples (e.g. >20g/tAu). This sample sub-population is apparent from both a visual and statistical review of the samples within the HG domain and forms a relatively continuous core/ ore shoot within this zone.

In respect of the grade and tonnage estimate, the parent block size is broadly appropriate in the context of the data spacing, however grades have been estimated into sub-blocks, indicating a degree of selectivity not reflective of the input sample data. Future estimates would also benefit from the use of unfolding or the use of dynamic anisotropy, rather than sub domaining of parent domains using hard boundaries.

Overall, the block estimates validate well against the input composite data in most areas, however there are some areas of concern. Most significantly, towards the northwest of the main open pit, in the core of the hinge zone, where composite samples associated with a very high-grade structure have overinfluenced relatively large block volumes (i.e. smearing of high grades). Based on a high-level review of the reconciliation data provided (March 2018 to December 2020), this may go some way to explaining the shortfall in production grade. It is noted that the open pit component of the Mineral Resource has been reported from a regularised version of the resource model, where these resources do not represent in situ, undiluted material and as such future statements should be reported on an in-situ basis from the sub-blocked resource model.

High-grade composite samples (>20g/tAu) in the hinge zone (northwest of the main open pit) has influenced the block estimates, where in some areas, material in the hangingwall and footwall of the narrow high-grade structure is estimated at grades significantly higher than the local samples support. It would be beneficial to sub-domain this structure in order to constrain the volumetric influence of these very high-grade samples during the grade estimation process;

- **Mining Production:** As a result of the security incident mining operations as at 31 December 2020 was essentially 36% behind tonnage targets with waste mining hampered by delays in mining equipment mobilisation (specifically the drill rigs). This is further exacerbated by low drill rig availability and grade control drilling delays. The change over to the new contractor has in part contributed to the challenges and as such there remains a

risk that mining production in 2021 may not achieve the current forecast assumed;

- **Process Plant Maintenance:** Supply chain issues continue to impact on deliver of plant critical components which in conjunction with highlighted asset integrity issues has necessitated further investigations to assess issues relating to crusher foundations and corrosion. Accordingly, and unless addressed there remains a risk that the attainment of the rated throughput of 1.3Mtp may not be achieved in 2021;
- **TSF Capacity:** Given the delays incurred in respect of TSF stage life construction there is limited depositional space on the TSF, and accordingly timely completion of the current lift is critical to ensure sustained production for 2021 and 2022. SRK has been informed that this is currently underway and as such sufficient capacity will be secured to maintain deposition at the proposed production rates;
- **Operating expenditures:** Historical operating expenditures reported for 2020 were directly impacted due to the cessation of mining operations and other impacts of the reduction in operating activity. This resulted in higher unit operating expenditures for both mining and processing unit costs and projected unit mining costs are essentially midway between that noted in 2018 and 2019. With respect to processing unit costs the 2019 and 2020 unit costs report significantly higher unit costs which range from US\$35/t_{milled} to US\$37/t_{milled}. Process throughput in 2021 is forecasted at the rated plant capacity of approximately 1.3Mtpa and to some extent this will result in unit cost reductions, however, there remains a risk that the assumed unit processing cost of US\$29.49/tmilled may not be attained and that in practice these may be of the order of 10% higher than currently planned;
- **Security:** Security risks remain high in the operating region and following the incident in 2019 a number of mitigating measures have and are being implemented to enhance security measures for travel to and from the operations and at the operating site; and
- **Environmental and Social Liabilities:** The LoMp liabilities as reported herein comprise both direct mine closure related expenditures and retrenchment expenditures. The retrenchment estimates whilst not based on a detailed employee length of service demographic analysis, is based on recent experience in Burkina Faso and as such is considered to be a reasonable estimate for the future liability to be incurred on closure. The mine closure cost however is derived from inventory assessments and unit rate assumptions largely focused on landform remediation and in the absence of an appropriately detailed and engineering mine closure plan is considered to be at best a scoping level estimate. Accordingly there remains a risk that following completion of additional technical work which is presently planned in accordance with the newly established Group Standard for Mine Closure that the estimates as presented herein may change specifically when considering the potential impacts of ARDML and any requirements for active water treatment which are at present poorly informed given the level of technical studies completed to date. Furthermore, historical ARO estimates indicate substantially higher closure cost estimates than that currently assumed by the Group which appear to be directly related to assumptions regarding closure costs associated with remediation of the TSF. The current LoMp estimates as provided herein have been adjusted to reflect various uncertainties associated with the current estimates, however, there remains a risk that the current estimate remains understated and further work is required to address the basis for the historical variations. Furthermore, in respect of Environmental and Social Matters the key recommendations concluded are:
  - to establish a compliance obligations database for obligations in permits and agreements and track conformance with these systematically,

- to upgrade monitoring programs to better understand impacts on land and water users and habitats around and downstream of the mine sites,
- to conduct ARDML studies including kinetic testwork as planned,
- to prepare mine closure plans and cost estimates aligned with the Group Mine Closure Standard as planned.

The key **opportunities** relating to Boungou Gold Mine are:

- **Geology and Mineral Resources (exploration potential):** certain of the geological models are not yet closed off by drilling either along strike or at depth. Within the Boungou Licence areas exploration focus is presently on potential strike extensions and the underground targets. In addition, the Group is also currently investigating targets identified in the wider surrounding exploration permits with total planned expenditures for 2021 estimated at US$7.0m; and
- **Life of Mine Plan extensions:** Extensions to the current LoMp indicates that based on the current sensitivity analysis there is limited opportunity for establishing increased open pit Ore Reserves at higher gold prices as identified by the recently completed sensitivity analysis. This aside, one potential area for life extensions relates to establishing an underground mining operation based on the current Inferred Mineral Resource (3.6Mt grading 2.96g/tAu.

5 HOUNDÉ GOLD MINE

5.1 Introduction

The following section include discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Company and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly.

The current Mineral Resource and Ore Reserve Statements as reported for Houndé Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

5.2 Mineral Asset Background

Houndé Gold Mine comprises numerous open pits and, a carbon-in-leach processing facility (the "**Houndé CIL Plant**"), a single tailings storage facility (the "**Houndé TSF**"), waste rock dumps ("**WRDs**") and other supporting infrastructure. The current LoMp assumes mining from a total of seven grouped deposits located within 20km of the processing plant: Vindaloo, Bouéré, Dohoun, Kari Pump, Kari West, Kari Centre and Kari Gap.

The current LoMp as reported herein is limited to depletion of Ore Reserves (including stockpiles) from 1 January 2021 through calendar 2031. Total material mined is planned to peak at 57.0Mt in 2026 and ore processing is maintained at approximately 4.4Mtpa for the duration to process a total of 46.3Mt grading 1.74g/tAu and total gold production of 2.3Moz attained at a weighted average metallurgical recovery of 90.9%. Annual gold production remains range bound between 200koz and 250koz and weighted average AISC for the LoMp is estimated at US$916/ozAu. Total capital expenditure comprising growth (including non-sustaining and sustaining capital) is estimated at US$243.0m with mine closure costs (inclusive of retrenchment) estimated at US$56.6m. The current mining operations are largely owner operated and are planned to remain as such for the duration of the LoMp period.

Location, Access and Infrastructure

Houndé Gold Mine is located at latitude 11°25'21" north and longitude 03°31'58" west in Burkina Faso, West Africa and is situated approximately 250km southwest of Ouagadougou. The project site is accessible by a sealed national highway (N1) to Houndé town and immediately south of the town, a 1km sealed road leads to the mine gate. Mine infrastructure is also less than 1km away from a national 225kV power line that extends from Côte d'Ivoire through to Ouagadougou. The nearby town of Houndé is the centre of the Houndé municipality which has

a population of approximately 50,000. A rail line that extends from the port of Abidjan, Côte d'Ivoire through to Ouagadougou, passes through the town of Boromo which lies approximately 25km west of the mine site.

The Houndé Gold Mine deposits are situated in the municipality/ commune of Houndé, within the province of Tuy, one of three provinces of the Hauts-Basins region of Burkina Faso. The Vindaloo pits are situated next to the Houndé CIL Plant. The Bouéré pit and the Dohoun pit are located about 16km and 20.7km west of the process plant by road, respectively. A new haul road was constructed to link the Bouéré pit to the process plant which was lightly bituminised in order to minimise dust impacts on the community. This haul road runs between the Kari pits, meaning that additional access requirements for these pits is minimal. The operations are located in a savanna landscape and the livelihoods of surrounding communities are based on agriculture and mining, including artisanal mining.

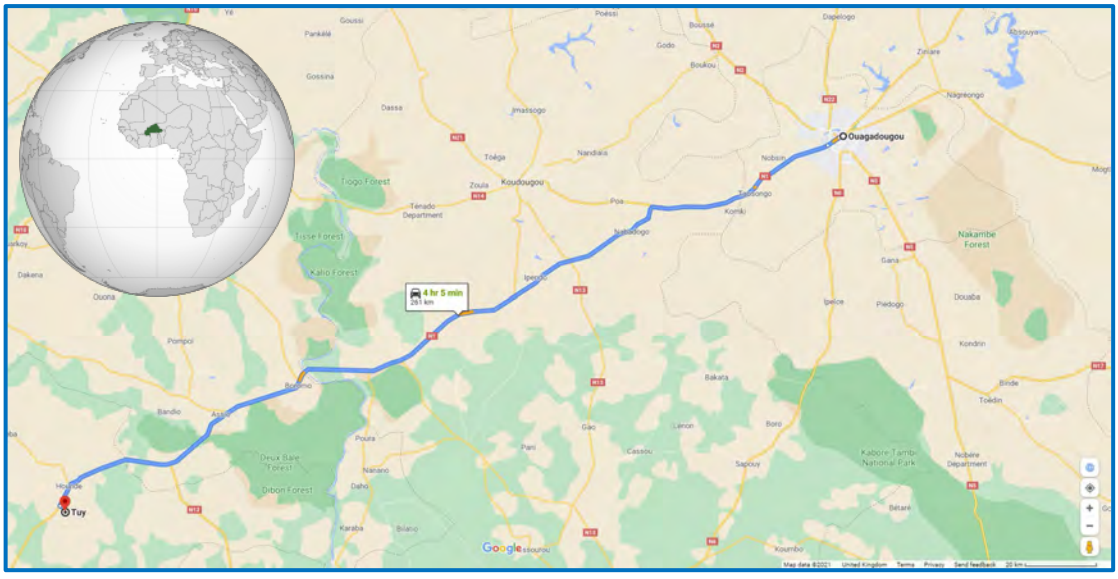
Power for the processing plant is supplied from the grid via a 38km long, 225kV overhead power line from the nearest substation which is located near the town of Pa. A power supply agreement has been entered into with SONABEL, the state power company. A Caterpillar high speed diesel back-up power station has been installed to provide 100% redundancy.

Physiography and Climate

The climate in the vicinity of the mine sites is Sudano-Sahelian, with distinct hot and rainy and cool and dry seasons and with annual evaporation exceeding rainfall. The wet season extends from April to October and brings most rainfall. The annual rainfall averages about 900mm and ranges between 470mm and 1,200mm. There is high interannual variability in rainfall and August is generally the wettest month, with rainfall of up to 250mm and some downpours producing 90mm to 130mm in 24 hours.

Two wind regimes dominate. The West African Monsoon comes from the southwest and south, blowing moist air from the Atlantic and can bring torrential rain. The dry and dusty Harmattan comes from the north-northeast in the dry season. Maximum temperatures generally range from 22°C to 35°C. The dry months are the coolest and the wet months are the hottest.

Figure 5-1: Houndé Gold Mine location map



Ownership, Mineral, Mining and Exploration Rights

The Group manages its equity interest in Houndé Gold Mine via a wholly owned subsidiary

Houndé Holdings Limited ("**HHL**") which in turn has a 90% equity interest (balance of 10% held by the GoBF) in two separate operating companies, Houndé Gold Operations SA ("**HGO**") and Bouéré Dohoun Gold Operation SA ("**BDGO**"). Pursuant to its mining convention with the State of Burkina Faso, the Company is required to pay a royalty based on a sliding scale in accordance with the prevailing gold price: 3.00% to US$1,000/ozAu; 4.0% from US$1,000/ozAu to US$1,300/ozAu; and 5.0% above 1,300/ozAu. In addition, the production from Houndé Gold Mine is also subject to a 2% net smelter return royalty in favour of Sandstorm Gold Ltd ("**Sandstorm**"). Furthermore, in accordance with its mining convention, gold sales from the Houndé Gold Mine is also subject to contributions to a Social Development Fund of 1.0%.

Houndé Gold Mine comprises two primary exploitation permits:

- The "**Houndé Licence**" which was granted to HGO on 5 February 2015 is valid until 5 February 2025 and originally represented a total area of 23.20km^2 in accordance with Decree No. 2015–090/PRES-TRANS/PM/MME/MEF/MERH. On 16 July 2020, this was further extended to a total of 61.79km^2 (Decree 2020-1015/PRES/PM/MMC/MINEFID/MEEVCC) to encompass the Kari deposits, specifically Kari West and Kari Centre/Kari Gap.

  A '*feasibility study*' was submitted to the GoBF which only covered production from the Kari Pump open pit and permission to develop the additional deposits will require submission of an updated feasibility study and accompanying production plan. Notwithstanding this aspect environmental approval for development of the Kari Pump Ne Extension, Kari West, Kari Centre/ Kari Gap pit was received on 9 April 2021. The Houndé Exploitation Permit does not yet cover the new deposits at Kari South; and
- The "**Bouéré Dohoun Licence**" was granted to BDGO on 23 January 2017 covering 5.37km^2 and is valid until January 23, 2022. The permit was granted under a decree issued by the GoBF as 20170027/PRES/PM/MEMC/MINEFID/MEEVCC.

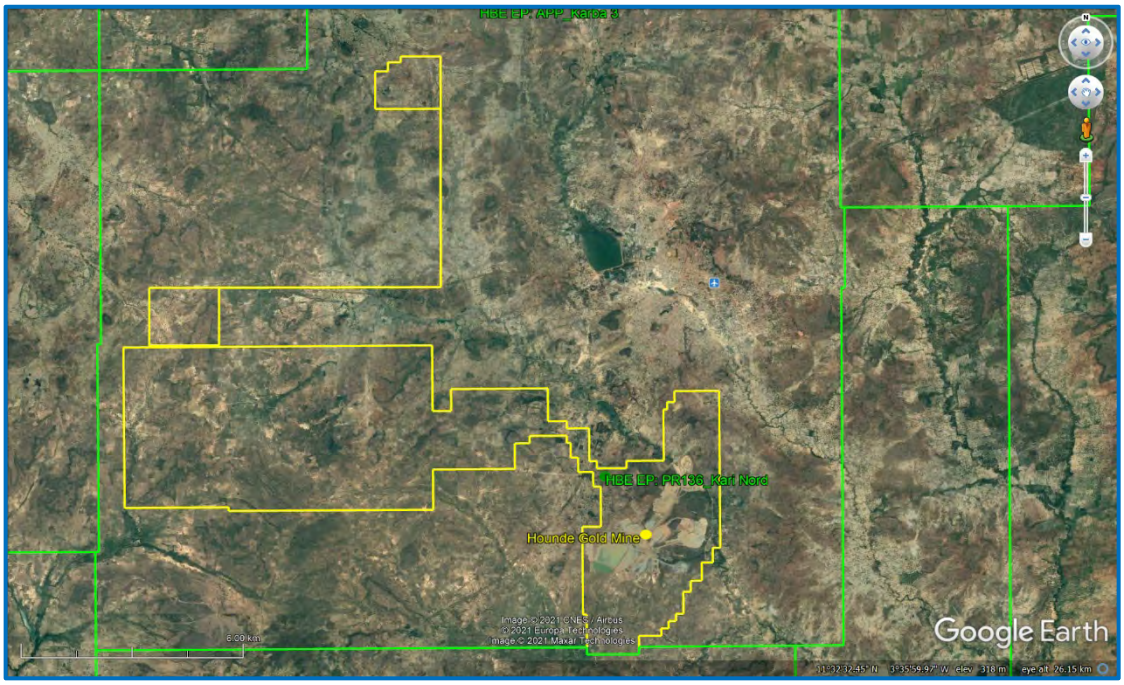
All Exploitation Permits in Burkina Faso may be renewed for consecutive five-year periods until deposits are depleted. In addition to the Exploitation Permits the mining operations are governed by mining conventions which are agreements between the GoBF represented by the Ministry of Mines and Energy ("**MoME**") and the operating companies (HGO, BDGO). The conventions specify the legally binding operating conditions for technical, legal, financial and environmental aspects. With respect to environmental, social and governance these include:

- Preferential use of national services and materials wherever possible;
- Preferential employment of national people, respecting human rights and employment law and replacing expatriates with nationals who have acquired the same experience;
- Fair compensation of people displaced by mining;
- From the date of first commercial production, contribution to the improvement of hospitals schools and other community infrastructure;
- Protection of the environment; and
- Maintenance of a bank account within Burkina Faso for a restoration fund for the mine site as defined by the mining regulations – the cost must cover the implementation of an environmental preservation and rehabilitation program and is exempt from corporation tax.

Table 5-1: Houndé Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Houndé Gold Operation SA	Houndé	Decree No. 2015090/PRES-TRANS/PM/MME/MEF/MERH, Decree No. 2020-1015/PRES/PM/MMC/MINEFID/MEEVCC	90.00	61.8	05/02/2035	14.1
Bouéré-Dohoun Gold Operation SA	Bouéré-Dohoun	20170027/PRES/PM/MEMC/MINEFID/MEEVCC	90.00	5.4	05/02/2035	1.1

Figure 5-2: Houndé Gold Mine mineral tenure map



Historical Development

Exploration in the Houndé area began in 1939 by the Bureau de Recherches Géologiques et Minières ("**BRGM**") and Bureau des Mines et de la Géologie du Burkina Faso and was continued by various companies until 1982. Exploration resumed in the 1990's by a number of companies that conducted regional geochemical surveys, which were then followed up by more detailed geochemistry, prospecting, mapping and RAB to RC drilling. Several gold targets were identified during this work. As a result of the acquisition of Avion Gold Corporation ("**Avion**") on October 18, 2012, the Group acquired the Houndé project and initiated an in-fill drill program, which consisted of 358 holes (40,534m), over the Vindaloo and Madras Northwest zones in late October 2012, with the goal to upgrade the geological model and accompanying Mineral Resources. Including this drill program, a total of 751 core and RC holes (103,677m) along the trend of the Vindaloo and Madras NW zones were completed by the Group (or predecessor companies) by 2013. All of this data was used in the updated Mineral Resource estimate which was used as the basis for a feasibility study and publication of a report entitled "*Houndé Gold Project – Burkina Faso, Feasibility Study NI 43-101 Technical Report*" published by Lycopodium in November 2013, the "**HGP 2013 TR**".

In 2015 the Group received the mining permit for the Houndé Gold Mine. Construction commenced in April 2016 and was completed in October 2017 ahead of schedule and US$15m below the initial capital budget of US$328m. As construction was tracking below budget the Group decided to spend an additional US$21m mainly for a 26MW back-up power station and fuel farm and to build Cell 2 of the tailings storage facility, bringing the total investment to US$334m. Houndé achieved the first gold pour on 18 October 2017 and nameplate capacity was reached by the end of October 2017. Following the rapid ramp-up period, commercial production was declared on 1 November 2017. On 15 June 2020, the Group published an updated technical report, reflecting the latest technical status of the Houndé Gold Mine (the "**HGP 2020 TR**").

Historical Operating Performance

Table 5-2 presents a summary of the technical and economic performance for Houndé Gold Mine reflecting all revenue and expenditures from 2015 through 2020. Since 2017, Houndé Gold Mine has mined a total of 15.1Mt of ore grading 2.09g/tAu with an accompanying stripping ratio of 8.3t_{waste}:t_{ore}. During this period the Houndé CIL Plant processed a total of 13.1Mt grading 2.15g/tAu to produce 846koz of gold indicating an overall recovery of 93.3% to enable sales of 842kozAu at an overall AISC of US$718/oz. Total capital expenditures (excluding working capital movement) are reported at US$515.7m with the construction of the Houndé Gold Mine CIL Project accounting for US$102.2m in 2016 and US$238.7m in 2017. Total operating profit and pre-tax pre-finance cashflows since 2015 is reported at US$705.5m and positive US$154.6m respectively.

For the 12-month period ending 31 December 2020 Houndé Gold Mine processed 4.23Mt grading 2.21g/tAu with a recovery of 92.1% resulting in record gold production of 277koz. Total sales in 2020 reported 278kozAu with accompanying AISC of US$836/oz. Financial performance statistics for 2020 indicate operating profit of US$298.7m and pre-tax pre-finance cashflow of US$221.2m.

Table 5-3 presents a summary of historical performance and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 240kozAu to 260kozAu; AISC US$855/oz to US$905/oz; and total capital expenditure of US$59.0m (non-sustaining capital expenditure of US$13.0m; sustaining capital expenditure of US$39.0m; and exploration expenditure of US$7.0m).

Table 5-2: Houndé Gold Mine historical performance[(1)]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	8.2	-	-	13.1	6.1	11.9	7.2
Mined	(Mt)	140.45	-	-	17.27	41.49	38.19	43.50
Waste	(Mt)	125.11	-	-	16.05	35.67	35.23	38.17
Ore	(Mt)	15.34	-	-	1.22	5.82	2.97	5.32
	(g/tAu)	2.06	-	-	2.62	1.92	2.16	2.04
	(kozAu)	1,017	-	-	103	359	206	349
Processing	(Mt)	13.13	-	-	0.81	3.95	4.14	4.23
	(g/tAu)	2.15	-	-	2.75	2.29	1.83	2.21
	(kozAu)	907	-	-	72	291	244	300
Recovery	(%)	93.3	-	-	95.6	95.4	91.6	92.1
Production	(kozAu)	846	-	-	69	277	223	277
Sold	(kozAu)	842	-	-	61	276	227	278
Financial								
Revenue								
Gold Price	(US$/oz)	1,471	-	-	1,266	1,272	1,391	1,778
Revenue	(US$m)	1,238.5	-	-	77.2	351.1	316.1	494.0
Operating Expenditure								
Mining	(US$m)	(281.0)	-	-	(9.3)	(79.0)	(85.3)	(107.4)
Processing	(US$m)	(174.6)	-	-	(5.5)	(53.1)	(56.3)	(59.7)
Site G&A	(US$m)	(64.3)	-	-	(2.7)	(20.0)	(20.8)	(20.8)
Regional G&A	(US$m)	(25.0)	-	-	(0.4)	(6.7)	(8.3)	(9.6)
Refining, Transport, By-product	(US$m)	(2.5)	-	-	0.1	(1.1)	(0.8)	(0.7)
Royalty + SDF	(US$m)	(86.7)	-	-	(4.6)	(21.8)	(21.5)	(38.8)
Capitalised Waste	(US$m)	72.3	-	-	4.0	10.6	24.5	33.1
Inventory Movement (cash)	(US$m)	28.8			2.2	22.7	(4.5)	8.4
Total	**(US$m)**	**(533.0)**	**-**	**-**	**(16.3)**	**(148.4)**	**(172.9)**	**(195.4)**
Operating Profit	**(US$m)**	**705.5**	**-**	**-**	**60.9**	**202.7**	**143.3**	**298.7**
Capital Expenditure								
Growth	(US$m)	(391.9)	-	(102.2)	(238.7)	(51.0)	0.0	-
Sustaining	(US$m)	(71.3)	-	-	(4.0)	(7.2)	(23.1)	(37.1)
Non-Sustaining	(US$m)	(52.5)	-	-	(10.5)	(5.0)	(17.3)	(19.7)
Working Capital Movement	(US$m)	(35.3)			4.8	(25.7)	6.3	(20.6)
Total	**(US$m)**	**(551.0)**	**-**	**(102.2)**	**(248.4)**	**(88.9)**	**(34.0)**	**(77.4)**
Pre-Tax Pre-Finance Cashflow	**(US$m)**	**154.6**	**-**	**(102.2)**	**(187.6)**	**113.9**	**109.2**	**221.2**
Unit Rates								
Mining	(US$/$t_{mined}$)	2.00	-	-	0.54	1.91	2.23	2.47
Processing	(US$/$t_{proc}$)	12.43	-	-	6.81	11.75	12.48	14.11
Site G&A	(US$/$t_{proc}$)	5.75	-	-	3.38	6.77	6.11	4.91
Regional G&A	(US$/$t_{proc}$)	1.90	-	-	0.53	1.69	2.00	2.28
Direct Site Costs	(US$/$t_{proc}$)	39.59	-	-	21.62	38.54	39.17	44.43
Refining, Transport, By-product	(US$/oz)	3.0	-	-	(1.3)	3.9	3.7	2.4
Royalty + SDF	(%)	7.0	-	-	6.0	6.2	6.8	7.8
AOC	(US$/oz)	628	-	-	194	538	761	703
AISC	**(US$/oz)**	**718**	**-**	**-**	**335**	**564**	**862**	**836**
AIC	(US$/oz)	1,279	-	-	4,455	849	918	938
Total Costs	(US$/oz)	1,279	-	-	4,455	849	918	938

(1) All information sourced from public domain reporting data.

Table 5-3: Houndé Gold Mine: historical and current guidance[(1)]

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	-	30-35	250-260	230-250	230-250	240-260
AISC[(1)]	(kozAu)	-	550-600	580-630	720-790	865-895	855-905
Growth	(US$m)	-	180.00	10.00	-	-	-
Sustaining	(US$m)	-	-	3.00	35.00	49.00	39.00
Non-Sustaining	(US$m)	-	-	23.00	7.00	10.00	13.00
Exploration	(US$m)	-	5.00	9.98	-	11.00	7.00

(1) AISC estimate reflect the Company's reporting policy at the time of reporting.

5.3 Geology and Mineral Resources

5.3.1 Regional and Deposit Geology

The Houndé Gold Mine is located within the Houndé greenstone belt in the western region of Burkina Faso (Figure 5-3). The belt extends approximately 330km along strike and is up to 60km wide. The belt is orientated north-northeast to south-southwest and the Houndé Gold Mine includes 8 deposits, namely Vindaloo, Bouéré, Dohoun, Kari Pump (including the North East Extension), Kari West, Kari Centre-Gap, Kari South and Dafra.

The Vindaloo zones are hosted by Proterozoic-age, Birimian Group, intensely sericite and silica-altered mafic intrusions, similarly altered, strongly foliated intermediate to mafic volcaniclastics and occasionally sediments. The mineralisation is often quartz stockwork style and is weakly to moderately pyritic. The Vindaloo trend has been drill tested for a distance of approximately 7.7km along strike and up to 350m depth. The intrusion-hosted zones range up to 70m in true thickness and average 20m true thickness along a 1.2km section of the zone called Vindaloo Main. Volcanic and sediment-hosted zones are generally less than 5m wide. The entire mineralised package strikes north-northeast and dips steeply to the west to vertical. The mineralisation remains open both along strike and to depth. Dafra occurs within the main Vindaloo trend. The mineralisation occurs at depth as a down-dip extension of mineralisation below a partially mined open pit. Gold is hosted by a stacked vein system, occurring within strongly foliated diorites. The interpreted veins strike north-northeast and dip steeply towards the west.

Bouéré is hosted in a mafic to intermediate volcanic sequence, comprised of fine-grained tuffs and pyroclastic andesitic flows and breccia interlayered with more massive basaltic and andesitic flows. Bouéré is structurally complex with two main phases of deformation and associated hydrothermal alteration. It is characterised by lenticular-shaped and fold- shaped mineralised zones trending east-west to northeast-southwest, steeply dipping to the north.

Gold mineralisation at Dohoun is hosted within a shear zone that trends north-northeast and affects the western margin of a granodiorite intrusive. Mineralisation at Dohoun comprises quartz-carbonate veins associated with strong pervasive sericite and sulphides. In addition to the north-northeast shear zone, mineralisation is also hosted by north - south veins (interpreted to be associated with early deformational events) and east-northeast oriented fractures within the competent granodiorite intrusion.

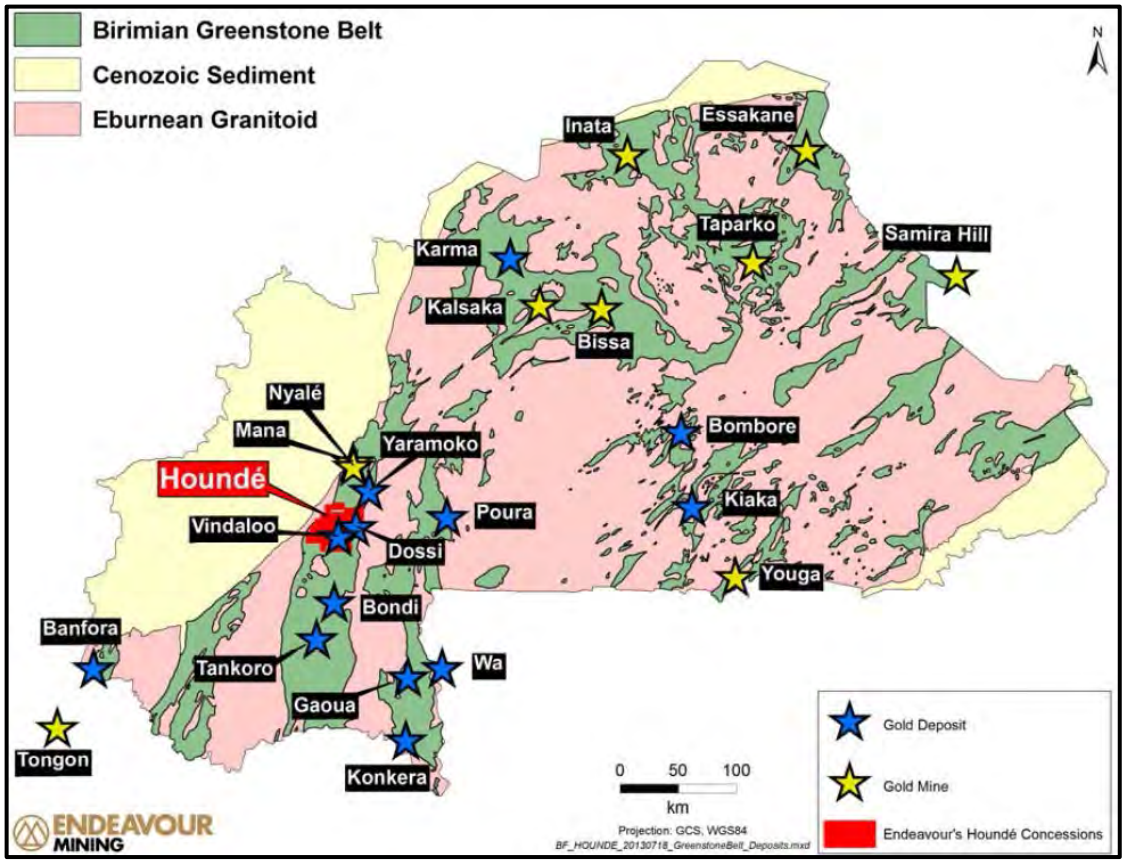
Mineralisation in the Kari Project area includes Kari Pump (including the North East Extension), Kari West, Kari Centre-Gap, and Kari South. The project area lies to the west of the main Vindaloo trend, and to the east of Bouéré. The Kari deposits are also hosted by the Houndé greenstone belt, which, in this area, comprises andesites, basalts with acidic volcanic intercalations, gabbros, greywacke to argillaceous sediments and banded chert. Gold mineralisation is typically hosted by varying size and orientation, quartzalbite-carbonatepyrite veins, with associated disseminated pyrite. Alteration in the Kari area is strong and extensive and occurs preferentially within the volcanic lithologies. The sediments typically do not show strong alteration. Two alteration styles have been identified:

- Strong sericite alteration zone with +/- silica and +/- sulphides ("**SEAL**"), and

- Strong albite – silica alteration zone with moderate sericite and +/- sulphides ("**SASE**").

There is a strong correlation between gold mineralisation and the presence of SEAL. The morphology and mineralisation style for each of the Kari deposits is described in Table 5-5.

Figure 5-3: Houndé Gold Mine: Burkina Faso sub-surface geology



5.3.2 Exploration Activity

Prior to the Group's acquisition of the Houndé Gold Mine, RAB, RC, and diamond core drilling was carried out by Barrick, Goldbelt Resources and Avocet Mining. Following acquisition in 2012, drilling continued with a goal to improve confidence in the geological models and the accompanying Mineral Resources. Exploration activities completed between preliminary economic assessment and feasibility study included generation of a 1m contour map from a satellite image collected in January 2013, collection of additional metallurgical samples, additional thin section work, an auger drilling programme as part of a sterilization program and additional IP surveys.

Between 2014 and 2019 the Group conducted various exploration programs over the exploitation permits (Vindaloo, Bouéré, Dohoun) and exploration permits. The programs included phases of geological mapping, geochemical sampling, and ground geophysical surveys. Several types of geochemical sampling have been conducted at the Houndé Gold Mine over time. These include rock chip, grab sample, soil, spoil, channel and trench sampling. The ground geophysics programmes conducted between 2014 and 2019 were variations on Induced Polarization ("**IP**"), namely Gradient Array Induced Polarization, and Pole-Dipole Induced Polarization. Reconnaissance geological mapping was conducted over the permit areas with two aims; namely to construct an interpreted geology map, and a regolith map. Both maps are used in collaboration with other data sets including geochemical assay surveys and results, geophysical survey data and drill information, as part of an overarching strategy of

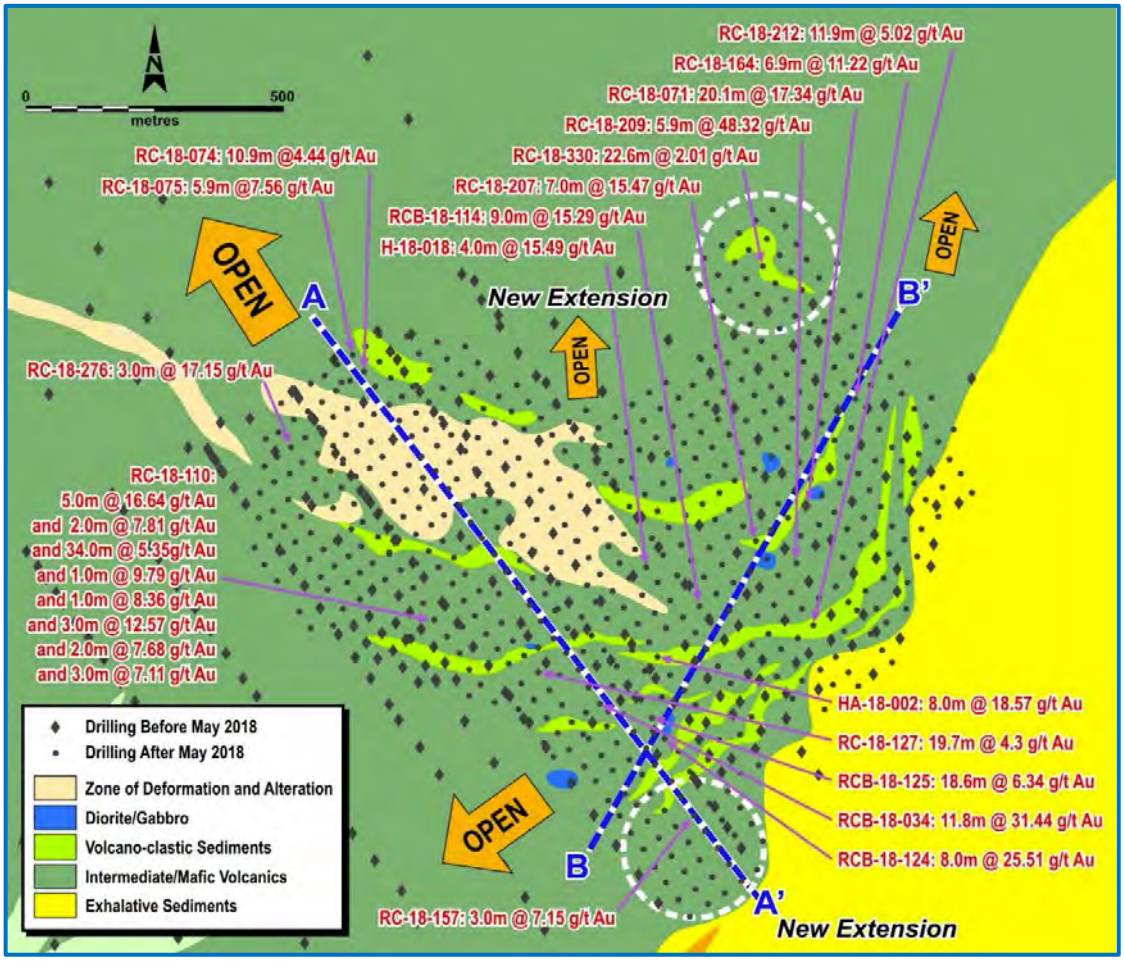
target identification and ranking based on data integration and validation.

Exploration drilling in the Vindaloo-Madras area conducted prior to 2014 is included in the 2013 FS inclusive of a total of approximately 751 holes drilled for a total of 103,677m. Between 2014 and 2019, the Group conducted various drilling programs over the exploitation permits (Vindaloo, Bouéré, and Dohoun) and the remaining exploration permits. The programs included phases of air core, auger, diamond drill holes, reverse circulation and reverse circulation percussion with diamond core tail ("**RC-DD**"). A summary of the drilling attributed to the deposits of the Houndé Gold Mine is reported in Table 5-4 below.

Table 5-4: Houndé Gold Mine: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
	(No)	(m)		DD (%)	RC (%)	AC (%)	RC-DD (%)
Vindaloo	237	26,542	Variable: 10m by 12.5m; 50m by 50m	15	76		9
Bouéré	600	35,598	Variable: 50m by 50m; 25m by 25m	17	14	59	10
Dohoun	198	19,651	25m by 25m	10	85	-	5
Kari Pump	1,058	113,447	40m by 40m	9	67	23	1
Kari West	1,269	127,540	40m by 40m	41	25	33	1
Kari Centre/GAP/South	1,310	227,608	40m by 40m	11	38	48	3
Total	**4,672**	**550,386**		**20**	**42**	**35**	**3**

Figure 5-4: Houndé Gold Mine: Kari Pump drill map and selected intercepts per area



5.3.3 Quality and Quantity of Data

The RAB, RC, and diamond core drilling carried out by Barrick, Goldbelt Resources and Avocet Mining was analysed by Abilabs (Mali) and SGS Ouagadougou. Blanks, standards and duplicates were used to test the precision and accuracy of the respective laboratories. Generally, every 10th sample was a control sample for QA/QC purposes. Blanks, standards and duplicates were used in equal numbers.

The sampling protocols for exploration drilling conducted by the Group differ for RC and drill core. RC drill samples were typically collected at 1m intervals using dual tube, percussion hammer with drop centre bit. This same configuration was used on modified Aircore drills for regional drill programs. RC and Aircore samples were split at the drill site using one tier or three tier riffle splitters, with samples collected at the cyclone. The target was a 2kg to 3kg sample for assay, and an equivalent backup reference sample. Bulk weights, analysis sample weights and reference sample weights were all recorded. All measures were employed to avoid collecting wet samples. If wet samples were generated the entire sample was dried and split using one tier and three tier splitting equipment. Representative samples for each interval were collected with a spear from the bulk sample bag and sieved into chip trays for geological logging and stored in a secure location. Drill core (PQ, HQ and NQ size) samples were selected by geologists and cut in half with a diamond blade saw at the project site. Half of the core was retained in the core trays for reference. The average sample interval was approximately 1m in length and 2kg to 3kg in weight.

Sampling and analysis was monitored through an internal QA/QC program, incorporating control samples in each analytical batch. The control samples were inserted by geologists into the sample stream, and comprised coarse blanks, field duplicates and CRM. For the Feasibility Study (2010 to 2013), sample preparation, analysis and security were under the supervision of suitably qualified geologists. The same approach has continued through the subsequent drilling programs. All samples collected by the Group, or by third parties contracted by the Group, were subject to quality control procedures that ensured that industry best practice was utilised for the handling, sampling, transport, analysis, storage and documentation of sample material and analytical results.

For sample preparation and analysis, the Group used SGS Bureau de Liaison ("**SGS**") laboratories at Ouagadougou, Burkina Faso and Morila, Mali. Whilst they are not formally accredited, the SGS laboratories at Ouagadougou and Morila operate to ISO 17025 standards. As part of the international group of SGS laboratories, all laboratories take part in regular Round Robin sample analysis to check for bias or systematic error.

Between 2014 and 2016, the Group continued to use SGS laboratories at Ouagadougou, Burkina Faso. In 2017, the Group engaged ALS Ouagadougou to become the primary assayer of exploration samples. The majority (70%) of 2017 ARC drill samples from the Kari Pump and Kari Centre deposit areas were sent to SGS in Ouagadougou with remaining (30%) submitted to ALS Ouagadougou. All RC and DDH samples from 2017 were submitted to ALS Ouagadougou. All exploration samples from drilling campaigns after 2018 were submitted to ALS Ouagadougou. ALS Ouagadougou is a formally accredited laboratory and is part of the international group of ALS laboratories, which all take part in regular Round Robin sample analysis.

After 2018, SGS was used for the external umpire laboratory. The Group prepared selected umpire samples at the ALS laboratory in Ouagadougou and these were collected by SGS. Some 7,009 (in 2018) and 5,084 (in 2019) umpire samples were sent to SGS in Ouagadougou.

All samples submitted to both SGS and ALS were prepared using the same method. The samples were logged into LIMS and weighed and dried. The submitted samples were crushed to a 70% passing 2mm using a jaw crusher (Terminators and Rocklabs Boyd crushers), with a sub-sample of <1.5kg taken using a Jones-type riffle splitter. Reject material was retained in the original bag and stored. The sub-sample was pulverised to 85% passing 75µm using an LM2 pulveriser. Approximately 200g was taken for assay and the remainder placed in a plastic bag. The pulveriser was flushed with barren material after each sample. At both the ALS and

SGS laboratories, samples were processed and analysed for Au content by 50g fire assay, with high-grade samples assayed using a gravimetric finish.

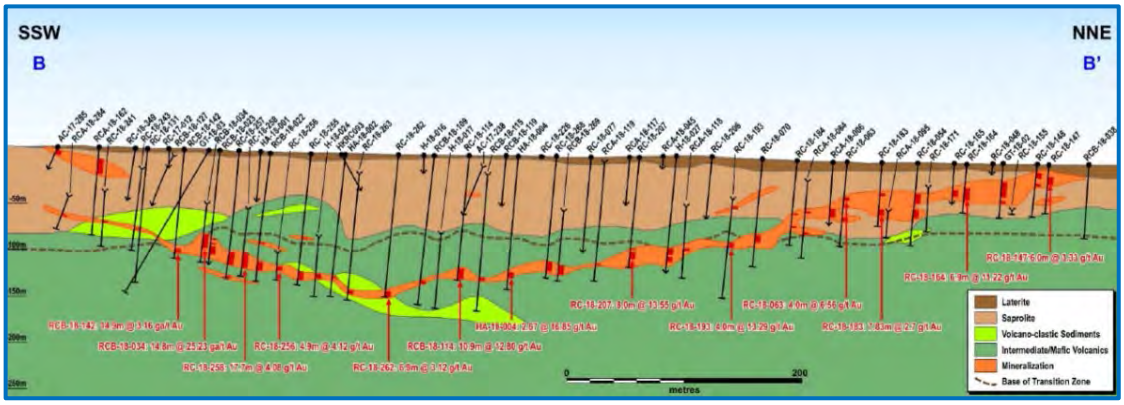
5.3.4 Mineral Resource Estimation

The Mineral Resource estimates at Houndé Gold Mine have been conducted either internally by the Group for the Bouéré, Dohoun, Dafra and Kari deposits, or by Cube Consulting Pty Ltd who was responsible for the Vindaloo-Madras Deposits. The estimates have been conducted either in GEOVIA Surpac, or in a combination of Leapfrog GEO, GEOVIA Surpac, and Isatis. The Mineral Resources as of 31 December 2020 were based on previous models depleted due to mining in 2020 for the Bouéré, Dohoun and Kari Pump deposits. The Vindaloo deposit was re-estimated in 2019 and incorporated into the current LoMp in 2020. For the Kari deposits, new estimates were produced for Kari Pump North East Extension, Kari West, Kari Centre-Gap, and Kari South. A new estimate for Dafra was also completed in 2020.

Geological Domaining, Block Modelling and Interpolation

Mineralised zones for all deposits are interpreted based upon a combination of lithology, structure, mineralisation and assay data from the drill hole data (Figure 5-5; Figure 5-6). The interpreted polylines are created on 20m to 50m spaced sections, depending on drill line density. Individual mineralised zones, veins or lenses are grouped into domains were appropriate, based on similar style of mineralisation, grade, geometry and/or location.

Figure 5-5: Houndé Gold Mine: Kari Pump sectional view



Each drill hole database for each deposit has been coded for drill intercepts within each of the mineralised domains. This coded interval is then used to control the raw assay analysis, compositing process, capping analysis, and variography by vein and/or domain. There are differences in the capping and compositing order for the separate deposits due to different estimation dates, QPs and methodologies. These differences are not considered to be material or significant and described in each case in Table 5-5. Capping was typically applied based on the grade distribution of the individual domain or group of domains, ranging between 5g/tAu and 40g/tAu.

Variography was used to analyse the spatial continuity within the mineralised zones and to determine appropriate estimation inputs to the grade interpolation process. Variogram relative nugget effects were typically in the range for Vindaloo-Madras of 50% to 60% indicating a moderate to high degree of short scale variability as would be expected for gold deposits. Variogram ranges were typically in the order of 50m to 60m. The variography parameters for each deposit are presented in Table 5-6.

Individual block models were created for the all deposits in GEOVIA Surpac™, sub-blocking was typically used to honour the morphology of the estimation domains. Grade interpolation was carried out using OK for each mineralised domain using the uniquely coded 1m composite

data specific to that domain. The exceptions being the Kari South deposit which were interpolated with IDW2 and Bouéré, Dohoun, and Dafra, which were interpolated with IDW3. The grade estimation was validated through a combination of visually comparing drilling data, block grade, comparing inverse distance squared and OK estimated grades and by swath plots comparing block grades and composite grades.

Density readings have been typically taken from core using the Archimedes method (i.e. the core is coated in wax and measured using water displacement). The measurements are grouped according to deposit, logged lithology type and/or weathering style/oxidation type. Density values for each deposit are described in each case in Table 5-6.

Figure 5-6: Houndé Gold Mine: Kari West sectional view

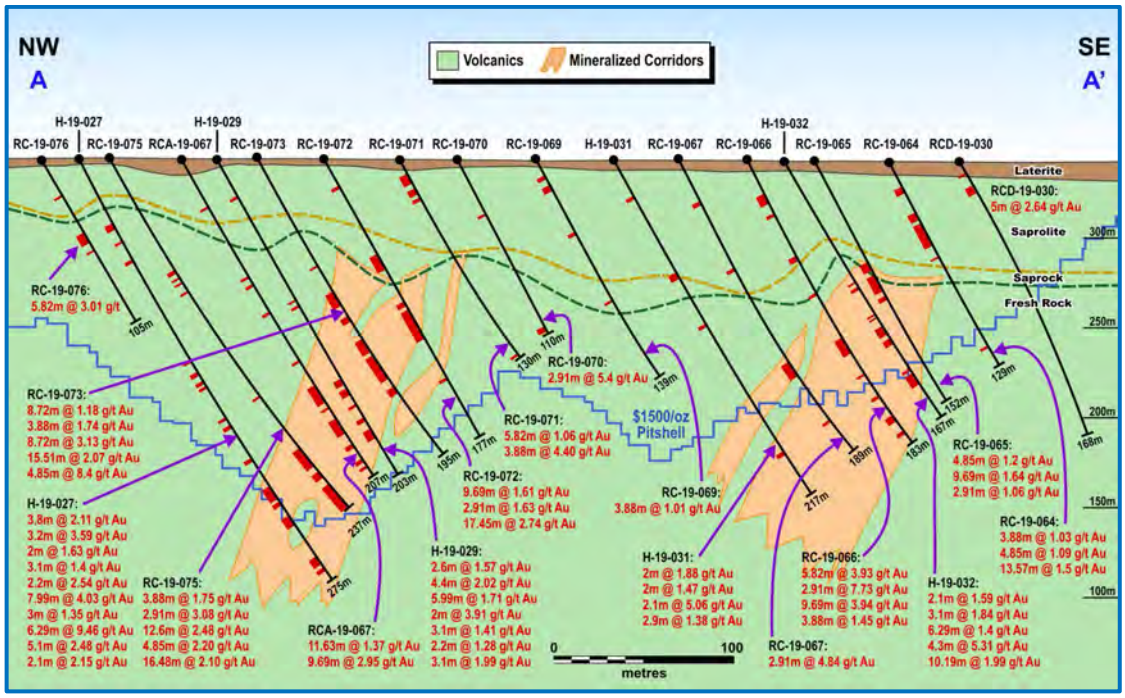


Table 5-5: Houndé Gold Mine: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Vindaloo	Sectional wireframes on 25m (50m in the North) based on lithology, structure, mineralisation and assays at a threshold of 0.3g/tAu	Closely spaced and sub-parallel, north-northeast trending and steeply dipping (to the west) to sub-vertical mineralised deposits hosted by intermediate volcanic rocks intruded by concordant (sill-like) monzonite bodies. 73 domains grouped into 11 areas - Koho, Koho East, Koho South, Madras, Madras northwest, Madras West, Vindaloo 2, Vindaloo Far South, Vindaloo Main, Vindaloo Northeast, Vindaloo South.	Strike length over 7km, up to 350m depth. Intrusion-hosted zones up to 20m true thickness, volcanic-sediment hosted packages up to 5m wide.
Bouéré	Sectional wireframes in Surpac at 0.3g/tAu threshold and based on lithology, structure and mineralisation.	Strong structural control masked by significant alteration. Eleven mineralised veins hosted in a mafic to intermediate volcanic sequence. Two main phases of deformation and associated hydrothermal alteration.	Lenticular-shaped and fold-shaped mineralised zones trending east-west to northeast-southwest, steeply dipping to the north.
Dohoun	Sectional (25m) wireframes using Surpac based on lithological , structural, mineralisation and assay data at a threshold of 0.5g/tAu.	Volcanic-sediments intruded by a granodiorite and cut by a quartz-feldspar porphyry dyke trending north-northeast. A shear zone to the north-northeast to the west of the granodiorite hosts the gold mineralisation.	A 500m long north-northeast trending lens encapsulates mineralisation associated with the shear zone in the western margins of the granodiorite. Subordinate group of lenses (200m long) in the southeast and in the northeast (25 m long) within the granodiorite.
Kari Pump	Sectional wireframes (40m and 33m) based on geology and 0.3g/tAu threshold in Surpac.	Underlain by andesite flows with minor volcano-sediment and sediments that are locally intruded by few diorite sills. Gold mineralisation occurs within a sheared reverse fault (D2) that appears to be folded; the mineralised structure dips shallowly (0º to 40º) to the west-northwest and northwest.	KP is in the shape of a "heart" near surface and is approximately 1km in size. KP northeast is 300m by 200m.

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Kari West	Sectional wireframes in Surpac at 0.3g/tAu threshold.	Volcanic-sediment package striking east-northeast to west-southwest, dipping 60° to the northwest. Two trends of mineralisation, both striking east-northeast to west-southwest, one shallow dipping at 30° and one moderately at 60°. 70 mineralised zones in four domains.	1,000m by 500m.
Kari-Centre/GAP	Sectional wireframes in Surpac at 0.3g/tAu threshold.	3.5km north-northeast shear corridor hosting gold mineralisation. Volcanic-sediment package, trending northeast-southeast, dipping 45° northwest. Lithological and structural controls on gold mineralisation - alteration and quartz veining. KC hosts 23 mineralised veins in two domains and KG has 18 veins in two domains. KS has 16 veins.	KC 800m by 400m. KG 600m by 300m, separated by 300m.
Kari South	Sectional wireframes using Surpac. Grade threshold: 0.3g/tAu.	800m by 450m, down to 200m below surface. Mineralisation closed to the northeast, possible extension to the southwest.	KS 850m by 350m.
Dafra	Sectional wireframes in Surpac at 0.3g/tAu threshold.	12 mineralised veins, average 6.8m thickness DTH. Grouped into 2 domains.	Down-dip extension of mineralisation below VIN3 depleted open-pit.

Table 5-6: Houndé Gold Mine: resource estimation parameters

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Vindaloo Deposits	Samples composited to 1m and capped.	Top cap 40Aug/t.	Hard boundaries	10m by 5m by 5m (YXZ) parent block size, sub-block 2.5m by 1.25m by 2.5m.	NE: 50% to 60% Range: 50m to 60m Search passes: 2 Search Volume 1: Radius 75m Search Volume 2: Radius 150m Min Composites: 6,6 Max Composites: 30,30 Grade Estimation Methodology: Ordinary Kriging	Laterite - 1.80; Saprolite 1.80-1.90; Saprock 2.28-2.33, Fresh Rock 2.74-2.78.	Visual comparison of composite and block model grades. Comparison of mean block and mean composite estimates by domain. Swath plots. Comparison OK, ID3 and NN estimates.
Bouéré	Samples capped and composited to 1m.	Eleven domains capped at 16g/tAu to 40g/tAu	Hard boundaries	5m by 5m by 2.5m (YXZ) parent block size.	NE: 0.16, Sill 0.51 Range: 30-50 m Search passes: 2 Search Volume 1: radius 40m Search Volume 2: radius 70m Min Composites: 4 Max Composites: 20 Grade Estimation Methodology: IDW3	Laterite - 1.90; Saprolite 1.80; Saprock 2.30, Fresh Rock 2.74.	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Dohoun	Samples composited to 1m and capped.	Capping by domain between 10g/tAu and 20g/tAu or none.	Hard boundaries	5m by 5m by 2.5m block size, sub-block 2.5m by 2.5m by 2.5m. Rotation from Y 32 degrees.	NE: 0.25, Sill 0.0.69 Range: 30m to 50m Search passes: 2 Search Volume 1: radius 30m to 50m Search Volume 2: radius 75m Min Composites: 4 Max Composites: 20 Grade Estimation Methodology: IDW3	Laterite - 1.90; Saprolite 1.80; Saprock 2.30, Fresh Rock 2.74.	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 grades statistics (number, min, max, average, standard deviation) compared for each domain.
Kari Pump (inc. NE)	Samples composited to 1m and capped.	KP - Domain 1 capped at 40g/tAu, 3 domains at 10g/tAu to 12g/tAu and 2 domains not capped. KP northeast Ext - Capped on a vein-by-vein basis at 5g/tAu or 10g/tAu or not capped.	Hard boundaries	10m by 10m by 5m parent block size, sub-block 1.25m by 1.25m by 2.5m. Rotated 55°.	NE: 0.2-0.5, sill 0.2-1.2 Range: 60m to 70m Search passes: 2 Search Volume 1: 50m by 50m by 200m Search Volume 2: 75m by 75m by 300m Min Composites: 6, 3 Max Composites: 20,20 Grade Estimation Methodology: Ordinary Kriging	Laterite - 2.00; Saprolite 1.80; Saprock 2.25, Fresh Rock 2.74.	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Kari West	Samples composited to 1m and capped.	Variable capping levels applied to veins – 25g/tAu, 20g/tAu, 15g/tAu, 10g/tAu, and 5g/tAu. Some veins were not capped.	Hard boundaries	10m by 10,m by 2.5m parent blocks size, sub-block 2.5m by 2.5m by 2.5. Not rotated.	NE: 0.2-0.3, sill 0.5-1.1 Range: 50m to 70m Search passes: 2 Search Volume 1: Radius 55m Search Volume 2: Radius 75m Min Composites: 5, 3 Max Composites: 20,20 Grade Estimation Methodology: Ordinary Kriging	Laterite - 2.04; Saprolite 1.76; Saprock 2.40, Fresh Rock 2.72.	Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Kari Centre-Gap	Samples capped and composited to 1m.	Capped on a vein-by-vein basis at 5g/tAu, 10g/tAu or 15g/tAu or not capped.	Hard boundaries	10m by 10m by 5m parent block size, sub-block 1.25m by 1.25m by 2.5m. Rotated 35°.	NE: 0.1-0.5, sill 0.2-1.2 Range: 50m to 100m Search passes: 2 Search Volume 1: 60m by 60m by 2400m	Laterite - 2.10; Saprolite 1.85; Saprock 2.25; Fresh Rock 2.75.	Visual check on section, comparing modelled blocks grades vs composites. Swath plots Composites

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					Search Volume 2: 80m by 80m x 320m Min Composites: 5, 3 Max Composites: 20,20 Grade Estimation Methodology: Ordinary Kriging		vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Kari South	Samples capped and composited to 1m.	Capped at 5g/tAu except two veins at 10g/tAu.	Hard boundaries	10m by 10m by 10m parent block size, sub-block 2.5m by 2.5m by 2.5m. Rotated 20°.	NE: N/A Range: N/A Search passes: 2 Search Volume 1: Radius 50m Search Volume 2: Radius 75m Min Composites: 5, 3 Max Composites: 20,20 Grade Estimation Methodology: IDW2	Laterite - 2.06; Saprolite 1.69; Saprock 2.16, Fresh Rock 2.78.	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 grades statistics (number, min, max, average, standard deviation) compared for each domain.
Dafra	Samples capped and composited to 1m.	Capped by domain at 5g/tAu and 10g/tAu.	Hard boundaries	10m by 10m by 2.5m parent block size, sub-block 2.5m by 2.5m by 2.5m.	NE: N/A Range: N/A Search passes: 2 Search Volume 1: Radius 50m Search Volume 2: Radius 75m Min Composites: 5, 3 Max Composites: 20,20 Grade Estimation Methodology: IDW2	Laterite - 1.80; Saprolite 1.80; Saprock 2.33, Fresh Rock 2.74.	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.

Classification

Mineral Resources are classified into Measured, Indicated and Inferred categories based upon increasing geological confidence. At Houndé Gold Mine, in addition to a review of the data quality the Mineral Resource classification within the mineralised vein wireframes is generally based on drill hole spacing, grade continuity and overall geological continuity. The distance to the nearest composite and the number of drill holes are also considered in the classification.

The primary criterion for Measured Mineral Resources at the Vindaloo-Madras deposits is defined by the grade control drilling, which is typically at a 10m by 10m grid. Indicated Mineral Resources at Vindaloo are defined in areas of drill spacing of at least 25m by 25m, although a more typical spacing is 50m by 50m. Indicated Mineral Resources were confined to blocks estimated within the first search pass. Inferred Mineral Resources include all remaining estimated mineralisation defined by a drill spacing greater than 50m by 50m or estimated within the second pass search. At Dafra, the Mineral Resources were classified as indicated, to reflect the approximate 50m by 50m drillhole spacing.

For the Bouéré and Dohoun deposits Indicated Mineral Resources were defined as areas with a drill spacing of approximately 30m to 50m (depending on zone), as established by the geostatistical analysis. A two-pass search strategy was used for grade estimation and the Indicated Mineral Resource is confined to blocks estimated within the first pass search. Inferred Mineral Resources include all remaining estimated mineralisation defined either by a drill spacing of greater than 30m to 50m or estimated within the second pass search.

For the Kari deposits, Indicated Mineral Resources are defined as the area with sufficient composite density and drill spacing for blocks to be estimated in the first search pass. Blocks estimated in the second search pass are classified as Inferred Mineral Resources and/or within an area within 80m drill line spacing or informed by a single drill line within an area of continuous Inferred material.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be ‘potentially economic’ under certain assumed criteria. SRK recognise that there exists a

wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Houndé Gold Mine reports its open pit Mineral resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves except for adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz utilised for reporting Ore Reserves. The Mineral Resources constrained within the resulting optimisation shells are then reported assuming a uniform cut-off grade of 0.5g/tAu. In respect of underground Mineral Resources, SRK notes that for the Houndé Gold Mine, there are no Mineral Resources reported which are considered to be mineable by underground methods.

5.3.5 Mineral Resource Statements

As at 31 December 2020 Houndé Gold Mine reports total Mineral Resources (Table 5-7) of 76.2Mt grading 1.70g/tAu containing 4.2MozAu and comprising:

- Measured Mineral Resources of 2.7Mt grading 1.26g/tAu and containing 112kozAu;
- Indicated Mineral Resources of 66.6Mt grading 1.74g/tAu and containing 3,717kozAu; and
- Inferred Mineral Resources of 6.9Mt grading 1.50g/tAu and containing 330kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 17.3Mt grading 1.52g/tAu; transitional material of 8.5Mt grading 1.65g/tAu and fresh material of 50.5Mt grading 1.76g/tAu. Mineral Resources reporting to stockpiles comprise a total of 2.0Mt grading 1.29g/tAu containing 85kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 5.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell assuming a long-term gold price of US$1,500/oz and application of an uniform cut-off grade of 0.5g/tAu for all deposits irrespective of location and weathering type. This simplification however is considered appropriate for the majority of the material reporting within the statements when assuming a marginal cut-off grade policy which largely reflects the mill cut-off grade determinations. The optimisation input parameters are the

same as that assumed for supporting derivation of the Ore Reserves as reported in Section 5.4 of this CPR, except for the increased gold price; and

- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 5-7: Houndé Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Vindaloo Deposits	707	1.19	27	208	1.05	7	198	1.10	7	302	1.35	13
Stockpile	2,045	1.29	85	544	1.22	21	-	-	-	1,501	1.31	63
Subtotal	**2,753**	**1.26**	**112**	**752**	**1.18**	**28**	**198**	**1.10**	**7**	**1,803**	**1.32**	**76**
Indicated												
Vindaloo Deposits	19,011	1.69	1,033	1,382	1.13	50	612	1.36	27	17,017	1.75	956
Bouéré	242	4.82	38	1	3.01	0	4	3.44	0	238	4.85	37
Dohoun	1,153	2.35	87	178	1.87	11	141	1.90	9	834	2.53	68
Kari Pump (inc. NE)	10,970	2.66	938	3,272	2.39	252	1,386	2.83	126	6,312	2.76	560
Kari West	20,438	1.53	1,004	4,037	1.57	204	1,986	1.43	91	14,414	1.53	709
Kari Centre-Gap	10,528	1.31	443	4,319	1.22	169	2,950	1.43	135	3,259	1.33	139
Kari South	2,129	1.09	75	1,250	1.09	44	306	1.12	11	573	1.09	20
Dafra	2,153	1.43	99	106	0.88	3	48	1.30	2	1,999	1.46	94
Subtotal	**66,625**	**1.74**	**3,717**	**14,546**	**1.57**	**732**	**7,433**	**1.68**	**402**	**44,646**	**1.80**	**2,583**
Measured + Indicated												
Vindaloo Deposits	19,718	1.67	1,060	1,590	1.12	57	810	1.30	34	17,319	1.74	969
Bouéré	242	4.82	38	1	3.01	0	4	3.44	0	238	4.85	37
Dohoun	1,153	2.35	87	178	1.87	11	141	1.90	9	834	2.53	68
Kari Pump (inc. NE)	10,970	2.66	938	3,272	2.39	252	1,386	2.83	126	6,312	2.76	560
Kari West	20,438	1.53	1,004	4,037	1.57	204	1,986	1.43	91	14,414	1.53	709
Kari Centre-Gap	10,528	1.31	443	4,319	1.22	169	2,950	1.43	135	3,259	1.33	139
Kari South	2,129	1.09	75	1,250	1.09	44	306	1.12	11	573	1.09	20
Dafra	2,153	1.43	99	106	0.88	3	48	1.30	2	1,999	1.46	94
Stockpile SP	2,045	1.29	85	544	1.22	21	-	-	-	1,501	1.31	63
Subtotal	**69,378**	**1.72**	**3,829**	**15,298**	**1.55**	**761**	**7,631**	**1.67**	**408**	**46,449**	**1.78**	**2,659**
Inferred												
Vindaloo Deposits	1,721	1.51	83	290	1.12	10	151	1.44	7	1,280	1.60	66
Bouéré	5	2.73	0	-	-	-	-	-	-	5	2.73	0
Dohoun	68	2.93	6	5	1.87	0	5	1.87	0	58	3.11	6
Kari Pump (inc. NE)	306	2.20	22	145	1.82	9	41	2.04	3	120	2.71	10
Kari West	2,512	1.44	117	642	1.20	25	296	1.36	13	1,575	1.56	79
Kari Centre-Gap	596	1.70	32	347	1.59	18	123	1.69	7	126	1.99	8
Kari South	1,655	1.30	69	561	1.34	24	218	1.42	10	877	1.24	35
Subtotal	**6,862**	**1.50**	**330**	**1,989**	**1.34**	**86**	**833**	**1.48**	**40**	**4,041**	**1.58**	**205**
Mineral Resources												
Vindaloo Deposits	21,439	1.66	1,143	1,880	1.12	68	961	1.32	41	18,599	1.73	1,035
Bouéré	247	4.78	38	1	3.01	0	4	3.44	0	242	4.81	37
Dohoun	1,221	2.38	94	183	1.87	11	146	1.90	9	892	2.57	74
Kari Pump (inc. NE)	11,276	2.65	960	3,417	2.37	260	1,428	2.81	129	6,431	2.76	571
Kari West	22,950	1.52	1,121	4,679	1.52	229	2,282	1.42	104	15,989	1.53	788
Kari Centre-Gap	11,123	1.33	476	4,666	1.25	187	3,072	1.44	142	3,385	1.35	147
Kari South	3,784	1.18	144	1,811	1.17	68	523	1.24	21	1,450	1.18	55
Dafra	2,153	1.43	99	106	0.88	3	48	1.30	2	1,999	1.46	94
Stockpile	2,045	1.29	85	544	1.22	21	-	-	-	1,501	1.31	63
Total	**76,240**	**1.70**	**4,159**	**17,287**	**1.52**	**847**	**8,463**	**1.65**	**448**	**50,490**	**1.76**	**2,864**

5.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 5-8 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are: an overall reduction of 191koz which compares with total mining depletion of 219kozAu. There are however a number of adjustments which have occurred in 2020 comprising: significant additions to the Kari and Dafra deposits across both Indicated and Inferred classification categories; and a significant reduction at the Vindaloo deposits in both the Indicated and Inferred classification categories. Mineral Resources were reported within an optimised shell assuming a gold price of US$1,500/oz for 2016 through 2020.

Table 5-9 presents a total Mineral Resource comparison between historical reporting periods for Houndé Gold Mine from 2016 through 2020 inclusive. The analysis focuses primary on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. For the former and comparing a 2016 depletion adjusted 'estimate' of future Mineral

Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resources have increased by some 45.0Mt at a grade of 1.49g/tAu. This should however be seen in the of a increase of Inferred Mineral Resources (totalling 3.6Mt) and total (RoM basis) depletion of 15.1Mt grading 2.09g/t for a total of 1,017kozAu. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed over the reporting period considered.

Table 5-8: Houndé Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Vindaloo Deposits	707	1.19	27	(54)	(1.24)	(32)	761	2.43	60
Stockpile	2,045	1.29	85	1,095	0.09	48	950	1.20	37
Subtotal	**2,753**	**1.26**	**112**	**1,041**	**(0.49)**	**16**	**1,712**	**1.75**	**96**
Indicated									
Vindaloo Deposits	19,011	1.69	1,033	(6,991)	(0.22)	(561)	26,002	1.91	1,594
Bouéré	242	4.82	38	(560)	(0.12)	(90)	802	4.94	127
Dohoun	1,153	2.35	87	1	(0.00)	0	1,152	2.35	87
Kari Pump (inc. NE)	10,970	2.66	938	(360)	(0.05)	(49)	11,330	2.71	987
Kari West	20,438	1.53	1,004	4,786	(0.18)	144	15,652	1.71	861
Kari Centre-Gap	10,528	1.31	443	6,822	0.13	303	3,705	1.18	140
Kari South	2,129	1.09	75	2,129	1.09	75	-	-	-
Dafra	2,153	1.43	99	2,153	1.43	99	-	-	-
Stockpile	-	-	-	-	-	-	-	-	-
Subtotal	**66,625**	**1.74**	**3,717**	**7,981**	**(0.28)**	**(80)**	**58,644**	**2.01**	**3,797**
Measured + Indicated									
Vindaloo Deposits	19,718	1.67	1,060	(7,045)	(0.25)	(594)	26,763	1.92	1,654
Bouéré	242	4.82	38	(560)	(0.12)	(90)	802	4.94	127
Dohoun	1,153	2.35	87	1	(0.00)	0	1,152	2.35	87
Kari Pump (inc. NE)	10,970	2.66	938	(360)	(0.05)	(49)	11,330	2.71	987
Kari West	20,438	1.53	1,004	4,786	(0.18)	144	15,652	1.71	861
Kari Centre-Gap	10,528	1.31	443	6,822	0.13	303	3,705	1.18	140
Kari South	2,129	1.09	75	2,129	1.09	75	-	-	-
Dafra	2,153	1.43	99	2,153	1.43	99	-	-	-
Stockpile	2,045	1.29	85	1,095	0.09	48	950	1.20	37
Subtotal	**69,378**	**1.72**	**3,829**	**9,022**	**(0.29)**	**(64)**	**60,355**	**2.01**	**3,893**
Inferred									
Vindaloo Deposits	1,721	1.51	83	(847)	(1.13)	(134)	2,568	2.63	217
Bouéré	5	2.73	0	(149)	(0.87)	(17)	154	3.60	18
Dohoun	68	2.93	6	(0)	0.02	0	68	2.91	6
Kari Pump (inc. NE)	306	2.20	22	24	(0.01)	2	282	2.21	20
Kari West	2,512	1.44	117	(858)	(0.21)	(62)	3,370	1.65	179
Kari Centre-Gap	596	1.70	32	184	0.49	16	412	1.21	16
Kari South	1,655	1.30	69	1,655	1.30	69	-	-	-
Dafra	-	-	-	-	-	-	-	-	-
Stockpile	-	-	-	-	-	-	-	-	-
Subtotal	**6,862**	**1.50**	**330**	**8**	**(0.58)**	**(126)**	**6,855**	**2.07**	**456**
Mineral Resources									
Vindaloo Deposits	21,439	1.66	1,143	(7,892)	(0.33)	(728)	29,331	1.98	1,871
Bouéré	247	4.78	38	(709)	0.05	(107)	957	4.72	145
Dohoun	1,221	2.38	94	1	0.00	0	1,220	2.38	93
Kari Pump (inc. NE)	11,276	2.65	960	(336)	(0.05)	(48)	11,612	2.70	1,007
Kari West	22,950	1.52	1,121	3,927	(0.18)	81	19,023	1.70	1,039
Kari Centre-Gap	11,123	1.33	476	7,006	0.15	320	4,117	1.18	156
Kari South	3,784	1.18	144	3,784	1.18	144	-	-	-
Dafra	2,153	1.43	99	2,153	1.43	99	-	-	-
Stockpile	2,045	1.29	85	1,095	0.09	48	950	1.20	37
Total	**76,240**	**1.70**	**4,159**	**9,030**	**(0.32)**	**(191)**	**67,210**	**2.01**	**4,350**

Table 5-9: Houndé Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	37,916	2.09	2,551	-	2.09	-
2017	37,320	2.05	2,459	888	2.05	59
2018	44,738	2.18	3,134	6,971	2.18	488
2019	60,355	2.01	3,893	2,159	2.01	139
2020	69,378	1.72	3,829	3,960	1.72	219
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	37,916	2.09	2,551	-	-	-
2017	37,028	2.05	2,493	293	(3.55)	(33)
2018	30,056	2.18	2,004	14,681	2.39	1,130
2019	27,897	2.01	1,865	32,458	1.94	2,028
2020	23,937	1.72	1,646	45,440	1.49	2,182
Period	**Reported**			**Variance to 2016**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	3,246	2.62	274	-	-	-
2017	3,243	2.64	275	(3)	0.02	1
2018	3,154	2.64	268	(92)	0.02	(6)
2019	6,855	2.07	456	3,608	(0.55)	183

2020	6,862	1.50	330	3,616	(1.13)	56

5.3.7 Reconciliation

Reconciliation practices at Houndé Gold Mine are completed in accordance with the Group Standard for the reconciliation of produced grade and tonnage which outlines a process for the systematic collection, recording and analysis of mine production data relating to the exploration models, grade-control models, mining and metallurgical accounting statistics. The key statistical measures include the following metrics:

- Mineral Resource Model Factor ("**MRMF**") which compares ratio of the sum of plant accounted and stockpile changes to the Mineral Resource Model ("**MRM**") blocked to the selective mining unit ("**SMU**") and reported on an in-situ basis;
- Grade Control Model Factor ("**GCMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Grade Control Model ("**GCM**") blocked to the SMU and reported on an in-situ basis;
- Ore Reserve Model Factor ("**ORMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Ore Reserve Model ("**ORM**") reported on a diluted/re-blocked model basis;
- Mine Design to Mineral Resource Model Factor ("**MDMRMF**") which compares the mine design model (short term plan) survey results to the MRM blocked to the SMU and reported on an in-situ basis; and
- The Plant Received to Delivered to Plant ("**PR-DP**") is a measure of the estimated feed tonnage and grade in comparison to that measured in the Plant with measurements based on belt weightometer to mills and leach feed grade. The actual determination includes Plant Received less Delivered to Plant divided by Delivered to Plant.

The deposits at Houndé Gold Mine are systematically infilled by RC grade control drilling on a 10m by 7.5m, or 10m by 10m pattern with holes inclined at -60°. Samples are collected in 1m increments from a cyclone and are split using a riffle splitter to produce samples of approximately 2kg mass. The same QA/QC protocol are applied as are used in the exploration stages. Samples are analysed for gold by fire assay at the site laboratory run by SGS. GC models are updated after each drill programme applying interpolation by ordinary kriging.

Multiple reconciliation measures are calculated each month in order that the relationship between various stages in the model to mine to mill chain can be better understood. Principally the mining allocated (or declared ore mined) measure is calculated from the plant accounted tonnes and metal plus the change in stockpiles, which can then be compared to the depletion of the Mineral Resource and grade control models. The resultant factors indicate the net change or relative ore loss and dilution from infill grade control drilling, ore perimeter design, and mining process inclusive of blast movement. These factors can be used to modify the factors applied in short term and long-term planning processes.

Figure 5-7 presents the diagrammatic representation of the reconciliation analysis for all deposits at Houndé Gold Mine mined for a 24-month period ending 31 December 2020. Detailed analysis by deposit indicates significant variability, however it should be noted that in respect of the Houndé CIL Plant, the process feed comprises multiple feed sources which are co-processed and therefore all metallurgical accounting statistics are back allocated based on assumed contributions from stockpile reclamation and direct feed from the mining operations. Accordingly, as campaign processing of individual sources is not practiced it is extremely difficult to ascertain confidence in the detailed resolution at a deposit level. This aside, SRK notes that for the period in question the tonnage factors as determined for the above on a total

production level ranges from 1.00 to 1.18 with gold content ranging from 0.97 to 1.04. For the MDMRMF the specific statistics reported are 1.00 for tonnage and 1.00 for contained metal.

Figure 5-7: Houndé Gold Mine: All deposits reconciliation analysis (24-month period ending 31 December 2020)

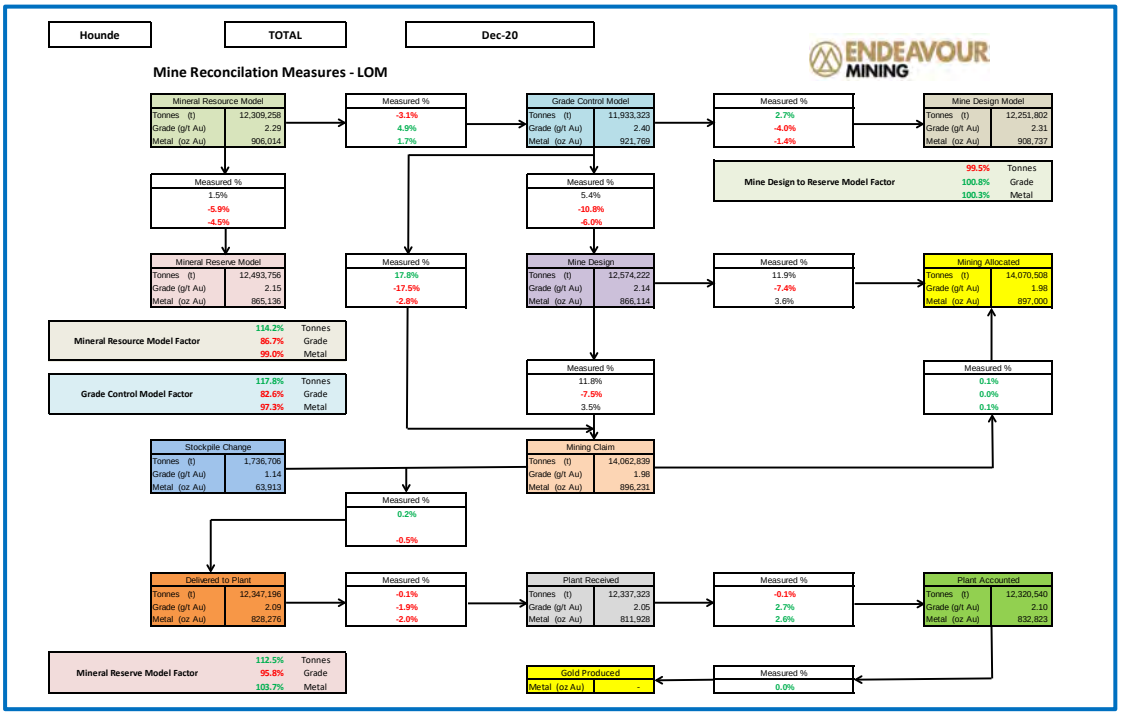


Table 5-10: Houndé Gold Mine: resource model to grade control to declared ore mined reconciliation

Total	Mineral Resource Model			Grade Control Model			Declared Ore Mined		
	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)
Historical									
2017	914	2.96	87	1,100	2.89	102	1,229	2.92	115
2018	4,780	2.19	337	4,802	2.33	359	5,783	1.88	349
2019	2,793	2.55	229	2,524	2.73	221	2,969	2.15	206
2020	4,740	2.30	350	4,632	2.33	347	5,237	1.97	332
Total	**13,228**	**2.36**	**1,003**	**13,058**	**2.45**	**1,030**	**15,219**	**2.05**	**1,002**
2019									
Vindaloo Main	1,866	2.24	135	1,669	2.68	144	1,902	2.04	125
Vindaloo North	454	3.07	45	370	2.60	31	458	2.11	31
Vindaloo Centre	290	2.59	24	260	2.70	23	303	2.17	21
Kari Pump	-	-	-	-	-	-	-	-	-
Bouéré	183	4.39	26	225	3.33	24	306	2.93	29
Total	**2,793**	**2.55**	**229**	**2,524**	**2.73**	**221**	**2,969**	**2.15**	**206**
2020									
Vindaloo Main	2,143	2.01	138	2,041	2.22	145	2,253	1.83	132
Vindaloo North	65	1.94	4	63	1.51	3	86	1.44	4
Vindaloo Centre	1,326	1.98	84	1,130	2.32	84	1,216	2.11	83
Kari Pump	852	2.83	77	903	2.49	72	1,076	2.11	73
Bouéré	355	4.05	46	495	2.65	42	606	2.05	40
Total	**4,740**	**2.30**	**350**	**4,632**	**2.33**	**347**	**5,237**	**1.97**	**332**

Table 5-11: Houndé Gold Mine: reconciliation analysis

Deposits	MRM-GCM			GCM-DOM			RM-DOM		
	($F1_T$)	($F1_G$)	($F1_C$)	($F2_T$)	($F2_G$)	($F2_C$)	($F3_T$)	($F3_G$)	($F3_C$)
Historical									
2017	1.20	0.98	1.17	1.12	1.01	1.13	1.34	0.99	1.33
2018	1.00	1.06	1.07	1.20	0.81	0.97	1.21	0.86	1.04
2019	0.90	1.07	0.97	1.18	0.79	0.93	1.06	0.84	0.90
2020	0.98	1.01	0.99	1.13	0.85	0.96	1.10	0.86	0.95
Total	**0.99**	**1.04**	**1.03**	**1.17**	**0.83**	**0.97**	**1.15**	**0.87**	**1.00**
2019									
Vindaloo Main	0.89	1.20	1.07	1.14	0.76	0.87	1.02	0.91	0.93
Vindaloo North	0.82	0.84	0.69	1.24	0.81	1.00	1.01	0.69	0.69
Vindaloo Centre	0.89	1.04	0.93	1.17	0.80	0.94	1.04	0.84	0.88
Bouéré	1.23	0.76	0.93	1.36	0.88	1.20	1.67	0.67	1.12
Total	**0.90**	**1.07**	**0.97**	**1.18**	**0.79**	**0.93**	**1.06**	**0.84**	**0.90**
2020									
Vindaloo Main	0.95	1.11	1.05	1.10	0.82	0.91	1.05	0.91	0.96
Vindaloo North	0.98	0.78	0.76	1.36	0.96	1.30	1.33	0.74	0.99
Vindaloo Centre	0.85	1.17	1.00	1.08	0.91	0.98	0.92	1.07	0.98
Kari Pump	1.06	0.88	0.93	1.19	0.85	1.01	1.26	0.75	0.94
Bouéré	1.39	0.66	0.91	1.22	0.77	0.95	1.71	0.51	0.86

Deposits	MRM-GCM			GCM-DOM			RM-DOM		
	($F1_T$)	($F1_G$)	($F1_C$)	($F2_T$)	($F2_G$)	($F2_C$)	($F3_T$)	($F3_G$)	($F3_C$)
Total	**0.98**	**1.01**	**0.99**	**1.13**	**0.85**	**0.96**	**1.10**	**0.86**	**0.95**

5.3.8 Exploration Potential

Exploration potential is largely focused on continued exploration of identified anomalies and targets within the current Exploitation Licence areas and the various exploration permits which cover the wider Houndé Gold Belt.

An exploration program of up to US$7m is planned for 2021, comprised of 47,000m of drilling. The exploration program will focus on near mine targets in the Kari area, Dafra T3 and Vindaloo South. In addition, reconnaissance drilling will focus on the Mambo, Marzipan, Kari Deep and Vindaloo Deep targets.

5.4 Mining and Ore Reserves

At the Houndé Gold Mine, the selected mining method is conventional open pit mining including drilling, blasting, loading and hauling. Load and haul activities are owner operated and contract service providers, SFTP Mining and African Explosives Limited ("**AEL**"), carry out production drilling and blasting activities. Grade control drilling was formerly undertaken by FTE-Drilling ("**FTE**") and transitioned to Orbit Garant in late 2020.

Mining and processing of transition/fresh ore commenced in Q4 2017 and mining activities transitioned from mainly oxides in early 2018 to mainly fresh ore by the end of 2019, although additional oxide feed has been mined recently through development of the Kari deposits.

Mining is conducted by a fleet of eight Komatsu excavators consisting of one PC3000-8R, three PC 2000-8R and four PC 1250-8R and all material haulage is done by 31 Komatsu HD785-7 rear dump trucks. Key items of the ancillary fleet are nine dozers, four 50m^3 water trucks and four motor graders. Ore is hauled directly to the RoM pad using dump trucks for the Vindaloo deposits and to near pit stockpiles before being transferred to the RoM pad using a contracted surface haulage fleet. Waste mined from the pit is hauled to the waste dumps and other projects requiring waste material for construction (i.e. tailing storage facility, haul roads etc.).

The ore control strategy targeting delineation of ore and waste uses RC holes piercing multiple benches. The geological and assay information, obtained from 36m deep inclined holes are sampled and assayed every 1m to generate wireframes from sectional interpretation, for grade control block modelling and ore outline generation. The ore outlines are then used by geologists and surveyors for final ore/waste discrimination and in-pit mark-up. In 2018 Houndé introduced blast movement simulation technology to better predict movement of ore resulting from blasting as a key measure in reducing ore loss and dilution.

Production drilling and blasting is performed on contract by SFTP with Sandvik DP1500s drill rigs on 9m benches with one-meter sub-drill using 115mm diameter drill bits. Blasted material is excavated in 3m high flitches except for Kari pump flat ore body where 2.5m flitches are commonly used and 1.25m flitches in some areas. AEL provides in-the-hole blasting services. The AEL plant on site consists of an ammonium nitrate mixing shed for the manufacturing of bulk explosives and four 30 tonne capacity iso-tank containers for storage. The supply of detonators, boosters, bulk explosives, initiating systems and other explosives material into the site-based magazines for storage is the responsibility of AEL.

Waste rock dumps associated with mining operations are constructed to meet the stipulated guidelines of the Burkina Faso Mining and Explosive and Environmental Regulations. All areas earmarked for waste dumps are sterilized before dumping commences.

Since commencement of operations, Houndé Gold Mine has mined a total of 141.1Mt comprising 126.0Mt of waste, 15.1Mt of ore at grading 2.09g/tAu with a reported stripping ratio

of 8.3t_{waste}:t_{ore}. The current LoMp assumes mining of a total of 410.0Mt of material at a rate which increases from the current 43.4Mtpa to 57.3Mtpa by 2026, thereafter declining as the Ore Reserves at the various open pits are depleted. Total Ore Reserves are reported at 44.2Mt grading 1.76g/tAu at an average stripping ratio of 8.3t_{waste}:t_{ore}. Mining operations are planned to continue from 2021 through to 2029 at which point the current open pit Ore Reserves are depleted. The current LoMp assumes mining from eleven open pits, four of which are currently operational.

5.4.1 Historical Performance

Analysis of historical production (Table 5-12) to date indicates that mining operations have substantially increased since commissioning in 2017 and for 2020 reflected total material mined of 43.5Mtpa with ore mining contributing 5.3Mtpa grading 2.04g/tAu and a stripping ratio of 7.2t_{waste}:t_{ore}. During this period mining production has been sourced from Bouéré (since 2019), Vindaloo Main (since 2017), Vindaloo Centre (since 2018), Vindaloo North (since 2018) and Kari Pump (since 2020). During 2020, the Vindaloo pits contributed 68% of the ore mined and 65% of the contained gold mined (Table 5-13). Operating expenditures for 2020 indicated an average of US$2.47/$t_{mined}$ with direct mining expenditures contributing US$1.75/$t_{mined}$ and fleet maintenance (US$0.64/$t_{mined}$). The balance comes from hauling (0.65/t_{ore}) though applies to satellite pits including Kari Pump and Bouéré.

Performance in 2021 will be impacted as a result of a number of key mining constraints including: to ensure that all surface drainage and dewatering boreholes are installed and working ahead of time to improve geotechnical stability at Vindaloo Main and mine additional waste of 15Mt not mined in 2020; complete the initial grade control programme and commence mining at Kari West; and to address heavy mining equipment ("**HME**") availability due to multiple HD785 engine failures and the requirement to change 13 engines as part of the planned mid-life rebuild programme in 2021. Houndé Gold Mine has initiated a revised maintenance programme to address the issues and secure additional equipment supplies accordingly.

Table 5-12: Houndé Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	130,151	-	-	6,972	41,489	38,194	43,495
Waste	(kt)	115,589	-	-	6,525	35,667	35,225	38,171
Capitalised	(kt)	30,195	-	-	-	5,296	11,430	13,469
Operating	(kt)	85,394	-	-	6,525	30,371	23,795	24,702
Ore	(kt)	14,562	-	-	447	5,822	2,969	5,324
	(g/tAu)	2.05	-	-	3.12	1.92	2.16	2.04
	(koz)	959	-	-	45	359	206	349
Stripping Ratio	(t_{waste}:t_{ore})	7.9	-	-	14.6	6.1	11.9	7.2
Opex								
Mining	(US$m)	230.29	-	-	10.60	78.94	64.82	75.93
Hauling	(US$m)	3.45	-	-	-	-	-	3.45
Maintenance	(US$m)	49.62	-	-	-	-	21.75	27.87
Total	**(US$m)**	**283.36**	**-**	**-**	**10.60**	**78.94**	**86.57**	**107.25**
Mining	(US$/t)	1.77	-	-	1.52	1.90	1.70	1.75
Hauling	(US$/$t_{ore}$)	0.24	-	-	-	-	-	0.65
Maintenance	(US$/t)	0.38	-	-	-	-	0.57	0.64
Total	**(US$/t)**	**2.18**	**-**	**-**	**1.52**	**1.90**	**2.27**	**2.47**

Table 5-13: Houndé Gold Mine: historical mining statistics for 2019 and 2020

Deposit	Total Mined (kt)	Ore (kt)	(g/tAu)	Stripping Ratio (t_{waste}:t_{ore})
2020				
Bouéré	6,896	608	2.08	10.3
Vindaloo Main	10,534	2,296	1.87	3.6
Vindaloo Centre	11,524	1,248	2.13	8.2
Vindaloo North	4,592	86	1.44	52.5
Kari Pump	9,948	1,087	2.30	8.2
Total	**43,495**	**5,324**	**2.04**	**7.2**
2019				
Bouéré	10,163	612	2.51	15.6
Vindaloo Main	24,077	1,597	2.04	14.1
Vindaloo Centre	1,298	303	2.17	3.3
Vindaloo North	2,655	458	2.11	4.8
Total	**38,194**	**2,969**	**2.16**	**11.9**

5.4.2 Mine Design, Planning and Scheduling

At the Houndé Gold Mine all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 3.0m (Z) dimensions for the Vindaloo and Bouéré open pits and to 5.0m (X), 5.0m (Y) and 2.5m (Z) for the Kari open pits. For Dohoun the minimum block size SMU is as per the Kari deposits, however no regularisation is presently applied. Dilution is applied on the basis of (1+dilution%) only to Bouéré and Kari Pump and diluted ore grade factors of 0.95 are essentially applied to all deposits (Table 5-14). The current Ore Reserves are reported assuming a mill feed cut-off grade determined based on a suite of deposit specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates within each deposit.

The mining costs are initially determined assuming application of a range of mining related operating expenditures (Table 5-15) which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs are based on the specific determinations per weathering type within each deposit and also include an assumed process plant sustaining cost for capital replacement of US$1.45/t.

The resulting unit operating costs as derived from the block models are as reflected in Table 5-16 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades as determined assume a long-term gold price of US$1,300/oz a royalty determination of 6.00% and selling cost assumptions of US$5.10/oz. The resulting mill feed cut-off grade determinations are presented in Table 5-17 below and range from a low of 0.40g/tAu to a high of 0.70g/tAu.

Table 5-14: Houndé Gold Mine: assumed modifying factors

Deposit	In-Situ Dilution			Grade Factor on Diluted			Metallurgical Recovery		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Vindaloo Main	-	-	-	0.95	0.95	0.95	90.30	91.20	92.70
Vindaloo Centre	-	-	-	0.95	0.95	0.95	90.30	90.90	92.70
Vindaloo North 1	-	-	-	0.95	0.95	0.95	90.30	92.00	92.70
Vindaloo North 2	-	-	-	0.90	0.90	0.90	90.30	92.00	92.70
Vindaloo Madras	-	-	-	0.95	0.95	0.95	95.20	94.00	92.70
Vindaloo Koho 1	-	-	-	0.95	0.95	0.95	95.20	94.00	92.70
Vindaloo Koho 2	-	-	-	0.95	0.95	0.95	95.20	94.00	92.70
Bouéré	10.0	10.0	10.0	0.95	0.95	0.95	91.10	90.70	84.60
Dohoun	-	-	-	0.95	0.95	0.95	93.80	90.00	84.60
Kari Pump & NE	5.0	5.0	5.0	0.95	0.95	0.95	95.00	88.70	82.00
Kari West	-	-	-	0.95	0.95	0.95	96.40	89.18	92.69
Kari Centre	-	-	-	0.95	0.95	0.95	95.00	-	-
Kari Gap	-	-	-	0.95	0.95	0.95	96.40	-	-

(1) Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 5-15: Houndé Gold Mine: assumed mining cost inputs

Deposit	Waste Mining			Ore Diff+GC+Re+OH Mining			s/p	OVH
	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	(US$/t)	(US$/t)
Vindaloo Main	1.34	2.08	2.35	1.47	1.55	1.60	0.62	-
Vindaloo Centre	1.17	1.95	2.20	1.58	1.64	1.63	0.62	-
Vindaloo North	1.18	1.97	2.19	1.61	1.67	1.66	0.62	-
Madras	1.08	1.08	1.08	1.77	1.77	1.77	0.62	-
Koho	1.15	1.90	2.09	1.63	1.67	1.65	0.62	-
Bouéré	1.15	1.93	2.25	4.88	4.92	3.92	0.62	4.15
Dohoun	1.15	1.93	2.15	4.88	4.92	4.89	0.62	4.15
Kari Pump	1.19	1.97	2.18	3.36	3.41	3.41	0.62	2.25
Kari West	1.30	2.07	2.32	0.05	0.09	0.08	0.62	2.48
Kari Centre	1.43	2.26	2.52	-	0.02	(0.01)	0.62	2.48
Kari Gap	1.43	2.26	2.52	-	0.02	(0.01)	0.62	2.36

Table 5-16: Houndé Gold Mine: assumed operating cost inputs (cut-off-grade)

Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Vindaloo Main	2.25	13.94	15.19	18.15	5.27	19.21	20.46	23.42	21.46	22.71	25.67
Vindaloo Centre	1.81	14.05	15.28	18.18	5.27	19.32	20.55	23.45	21.13	22.36	25.26
Vindaloo North 1	1.28	14.07	15.31	18.21	5.27	19.34	20.58	23.48	20.63	21.86	24.76
Vindaloo North 2	1.28	14.07	15.31	18.21	5.27	19.34	20.58	23.48	20.63	21.86	24.76
Vindaloo Madras	1.08	14.96	15.23	18.11	5.27	20.23	20.50	23.38	21.31	21.58	24.46

Deposit	Operating Expenditure					Marginal-Cost				Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Vindaloo Koho 1	1.20	14.10	15.31	18.20	5.27	19.37	20.58	23.47	20.57	21.78	24.67
Vindaloo Koho 2	1.20	14.10	15.31	18.20	5.27	19.37	20.58	23.47	20.57	21.78	24.67
Bouéré	2.25	17.95	19.13	20.47	5.27	23.22	24.40	25.74	25.47	26.66	27.99
Dohoun	1.77	17.35	18.56	21.44	5.27	22.62	23.83	26.71	24.39	25.61	28.49
Kari Pump & NE	1.43	15.83	17.05	19.96	5.27	21.10	22.32	25.23	22.53	23.75	26.66
Kari West	1.84	16.13	17.34	20.22	5.27	21.40	22.61	25.49	23.24	24.45	27.33
Kari Centre	1.44	15.94	17.13	19.99	5.27	21.21	22.40	25.26	22.65	23.84	26.70
Kari Gap	1.44	16.01	17.20	20.06	5.27	21.28	22.47	25.33	22.72	23.91	26.77

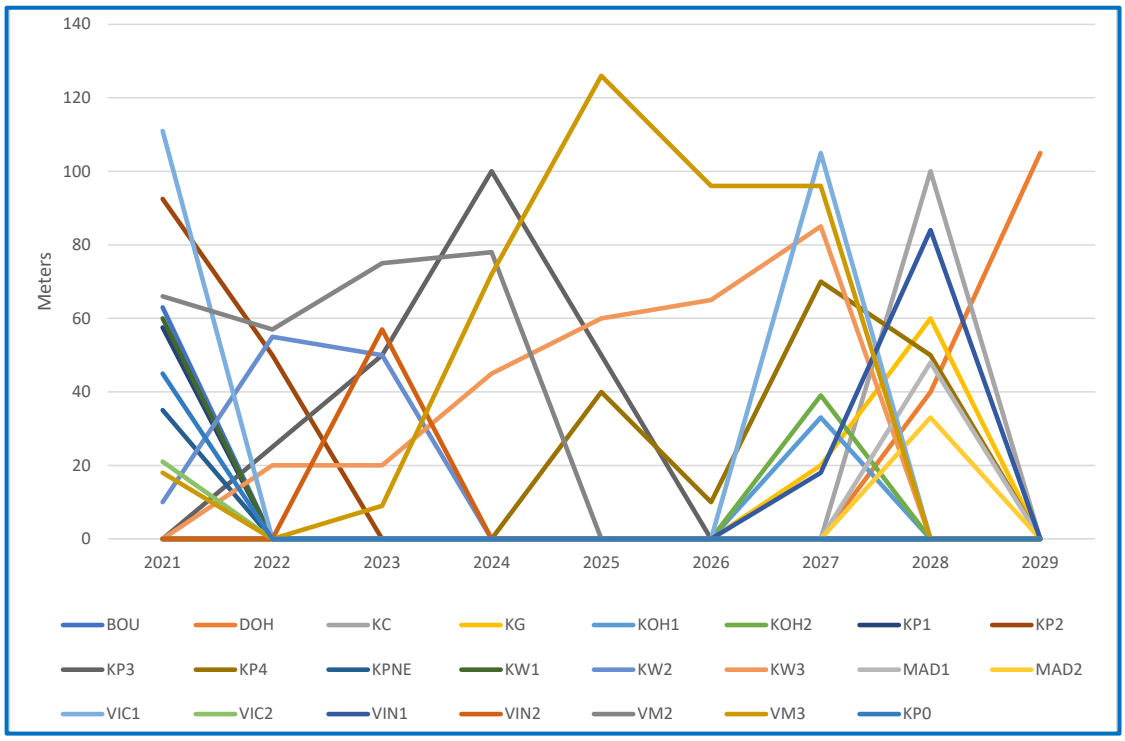
Table 5-17: Houndé Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
Vindaloo Main	0.40	0.50	0.60
Vindaloo Centre	0.40	0.50	0.60
Vindaloo North 1	0.40	0.50	0.60
Vindaloo North 2	0.40	0.50	0.60
Vindaloo Madras	0.40	0.50	0.60
Vindaloo Koho 1	0.40	0.50	0.60
Vindaloo Koho 2	0.40	0.50	0.60
Bouéré	0.50	0.60	0.70
Dohoun	0.50	0.60	0.70
Kari Pump & NE	0.50	0.60	0.70
Kari West	0.50	0.60	0.60
Kari Centre	0.50	0.60	0.70
Kari Gap	0.50	0.60	0.70

Mining operations are planned in accordance with efficiencies which are modified to account for the seasonal variation in operating conditions where the use of availability ranges from 67.0% to 84.0% for excavators and trucks. Standby assumptions range from 8.3% to 13.9% and rain stoppage from 0.70% to 21.7%. Furthermore, excavator hourly productivities are also varied appropriately for each weathering type for both ore and waste and incorporated as constraints into the scheduling assumptions.

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at Houndé Gold Mine, open pit sink rates are generally less than the recommended 80m to 100m range with only Vindaloo Main (stage 3 cut back) open pit in excess of this for an extended period. Other pits only exceed this for a limited timeframe of one year which is not considered a significant limitation.

Figure 5-8: Houndé Gold Mine: open pit sink rate assessment



5.4.3 Hydrology and Dewatering

Certain open pits at Houndé Gold Mine have experienced some slope failures, particularly within the saprolite benches, the majority of which (over 70%) are due to transient pore water pressure increases. This places a significant emphasis on good groundwater and surface water management, the latter of which has historically been an issue in the Vindaloo pits although is currently subject to improvement measures.

Slope Depressurisation

All slope design criteria are based on depressurised slope conditions despite the fact that few pits have been subject to effective slope depressurisation measures, which likely also explains many of the failures observed. There is one active dewatering/depressurisation borehole located within both the Bouéré and Vindaloo Central pits and ad-hoc horizontal drain hole drilling has also been implemented in some pits. In accordance with the current water management plan, 8 dewatering boreholes were drilled and equipped around Vindaloo Main, 3 boreholes around Vindaloo Central, 13 boreholes around Kari Pump pit in 2020 and 10 boreholes have been drilled around Kari West which will be equipped in 2021 ahead of mining. A slope stability radar was purchased in 2020 to allow for 24/7 pit wall monitoring.

Water Management

Wet season run-off during wetter years can be significant and surface water management measures have been found to be inappropriately designed in some cases. Dafra pit was subject to a catastrophic flooding event in August 2018 where an adjacent river diversion breached its banks and fully flooded the pit within 4 hours with around 1.7Mm^3 of water which was pumped out to allow mining of the Stage 1 pit to be completed. Mining of Stage 2 pit will resume following additional exploration drilling, pit optimisation and implementation of surface water management measures.

Additional recommendations for good pit surface water management practice as well as an updated site surface water management plan have been developed internally by the Group since this event.

Ponding (groundwater and surface water) has historically occurred in various pit bottoms and has impacted operational working conditions in some areas. Furthermore, pit sumps have historically discharged directly to noncontact water diversion channels or surrounding creeks with no sediment control prior to discharging. This has now been addressed through appropriate water management measures to avoid reoccurrences in the future.

Hydrogeological Baseline

There is a general lack of groundwater monitoring, with only five actively monitored piezometers around the TSF mainly located to the west of Vindaloo Main pit for the monitoring of four open pits plus associated infrastructure. There is therefore very little data available in terms of a hydrogeological baseline upon which to monitor potential impacts, particularly at a catchment scale. The site is located in a catchment with high baseline water scarcity stress and local community reliance on groundwater resources. Therefore, a robust groundwater baseline, as well as ongoing impact assessment against this baseline, is key to ensuring the sustainability of the operation.

5.4.4 Mining Geotechnics

Mining geotechnical designs are generally based on various independent geotechnical investigation reports completed for the majority of the open pits for which Ore Reserves are presently reported. Owing to the presence of weak saprolite material and the requirement to

maintain depressurised slopes water management and pit slope stability will remain a key focus for maintaining continuous safe operations. Furthermore, there are a number of design outcomes which have variations from the latest geotechnical report recommendations dated 2013 and 2014 (Table 5-18). These variations are made based on the additional information and experience gained from the operation and are reviewed by the Group Senior geotechnical engineer. This aside SRK considers that such reviews continue as the pits develop to their ultimate design depths and appropriate modifications incorporated as analysis and reconciliation studies necessitate.

Slope monitoring comprises daily field inspections for each mining location which is supplemented by manual surveying of set prisms once a week. An automated slope monitoring radar is now in use at Houndé Gold Mine and will be deployed at the location where it is most required in order to provide the best possible slope information. Given the fact that all slope designs have assumed depressurised slopes, continuous monitoring and review is key, especially given the thick saprolite intersections and deep weathering profiles.

Vindaloo Open Pits

The pit design is formed within saprolite and rock and the design pit IRA in saprolite is marginally steeper than geotechnical design recommendations and the fresh rock IRA is steeper than the external geotechnical report design angle IRA in 2013. The Golder's geotechnical review completed in 2014 has recommended steeper slope angles than the previous geotechnical report. The adjustments on the geotechnical slopes were also made based on the experience and information gained from mining the surrounding pits at Houndé and through internal Geotechnical reviews. All Vindaloo pit designs have been reviewed by the site Geotech engineers and Group Senior Geotechnical Engineer, and further work is recommended to ensure that the increased slope angles as proposed can be maintained for the final pit design limits as currently proposed.

A site-wide program of surface water management works totalling US$0.8m was considered in late 2020 and this work will likely be a key component in managing transient pore water pressure increases in the pit slopes, together with horizontal drain holes and active dewatering wells where permeability allows.

Bouéré Open Pit

The ultimate pit design is generally formed within saprolite and rock and the design pit IRA in saprolite is significantly shallower than the geotechnical report design angle IRA which assumes depressurised slopes. The fresh rock slopes in general honours geotechnical design recommendations however some local instability may occur, however the fresh rock slope designs appear aggressive, however as operations are planned to cease in mid-2021 this is not a significant concern.

Dohoun Open Pit

The pit design is generally formed within fresh rock and is based on depressurised slopes. In general, the fresh rock slopes honours the geotechnical design, however some local instability may occur. Whilst the pit is relatively small, the fresh rock slope designs appear aggressive and further work is required to better define the dewatering programme prior to commencement of mining operations in 2028.

Kari Pump Open Pit

The pit design is generally formed within saprolite and fresh rock and the designed pit IRA in saprolite honours the geotechnical report design angle IRA as the saprolite thickness of

approximately 100m slope height is significant. The geotechnical design is based on depressurised slopes and the fresh rock slopes in general honours this geotechnical design, however some local instability may occur. The geotechnical report indicates that fresh rock material could be poor and as such, further work to define this should be undertaken. A key consideration for this pit given the relatively flat dip of the orebody is to progressively backfill the pit once mining is sufficiently advanced.

Kari Central and Kari West Open Pits

Thick sections of saprolite have been modelled as dry and will require depressurisation to achieve proposed slope angles. The proposed slope design criteria for Kari West defined shallow inter-ramp footwall slopes, especially in geotechnical domains A, B and D. The current pit design incorporate inter-ramp angles in the footwall which are steeper than recommended within the geotechnical report. Accordingly, further work is required to specifically quantify any potential risk and establish alternative engineering designs as appropriate.

Table 5-18: Houndé Gold Mine: geotechnical and hydrogeological design considerations

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
Houndé' (Vindaloo All)	Various Geotechnical assessments completed between 2013 and 2020. Smaller pits using extrapolated criteria.	~ Sap IRA (°)	36.0 - 38.1	~ Sap Thickness (m)	43 - 62
				~ Sap IRA (°)	35 - 40
		~ Rock IRA (°)	60	~ Rock Thickness (m)	50 - 220
				~ Rock IRA (°)	53 - 60
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	6 active
				Drainholes	63 active
	Open Pit Design Summary			~Overall Slope Angle (°)	32.4 - 50.0
				(OSA)	53.0 - 48.1
				~Maximum Elevation	307 - 320mRL
				~Minimum Elevation	55 - 275mRL
				~Max Depth (m)	60 - 265
Bouéré	Geotechnical Design of Bouéré and Dohoun Pit Slopes. Golder Associates. February 2013.	~ Sap IRA (°)	43.2	~ Sap Thickness (m)	30
				~ Sap IRA (°)	32
		~ Rock IRA (°)	56.3 (FW) -60 (HW)	~ Rock Thickness (m)	122
				~ Rock IRA (°)	57 (FW) -60 (HW)
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	1
				Drainholes	17
	Open Pit Design Summary			~Overall Slope Angle (°)	northwest – 44.0
				(OSA)	southeast – 44.5
				~Maximum Elevation	357mRL
				~Minimum Elevation	207mRL
				~Max Depth (m)	150
Dohoun	Geotechnical Design of Bouéré and Dohoun Pit Slopes. Golder Associates. February 2013.	~ Sap IRA (°)	43.2	~ Sap Thickness (m)	Minimal saprolite in slope
				~ Sap IRA (°)	
		~ Rock IRA (°)	60	~ Rock Thickness (m)	100
				~ Rock IRA (°)	60
	Open Pit Design Summary			~Overall Slope Angle (°)	northwest – 52.1
				(OSA)	southeast – 32.8
				~Maximum Elevation	330mRL
				~Minimum Elevation	205mRL
				~Max Depth (m)	150
Kari Pump	Pre-Feasibility Study, Kari Pump Project, Burkina Faso (in-house GT section by Endeavour GT Engineer)	~ Sap IRA (°)	30.5-36.2	~ Sap Thickness (m)	100
				~ Sap IRA (°)	32
		~ Rock IRA (°)	44.2-54	~ Rock Thickness (m)	40
				~ Rock IRA (°)	50
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	7 drilled, 7 planned
				Drain holes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	northwest – 39.0
				(OSA)	southeast – 30.4
				~Maximum Elevation	363mRL
				~Minimum Elevation	190mRL
				~Max Depth (m)	154
Kari Central & Kari West	Geotechnical characterisation being done by BOPA since May 2020. Design memos issued by Endeavour Group Geotechnical Engineer and BOPA on 3rd July and 20th July respectively.	~ Sap IRA (°)	34-36.2	~ Sap Thickness (m)	50-100
				~ Sap IRA (°)	31.4
		~ Rock IRA (°)	27-56	~ Rock Thickness (m)	>100
				~ Rock IRA (m)	49.2
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	10 planned
				Drain holes	Unknown

Pit	GT Information	GT Design Criteria	Reserve Pit Design Criteria	
	Open Pit Design Summary		~Overall Slope Angle (°)	north – 36.6
			(OSA)	south – 27.4
			~Maximum Elevation	344mRL
			~Minimum Elevation	140mRL
			~Max Depth	200m

5.4.5 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Houndé Gold Mine (Table 5-19) includes 46.3Mt grading 1.74g/tAu and containing 2.6MozAu and comprising:

- Proved Ore Reserves of 2.6Mt grading 1.26g/tAu and containing 104kozAu; and
- Probable Ore Reserves of 43.7Mt grading 1.76g/tAu and containing 2,480kozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 12.2Mt grading 1.46g/tAu; transitional material of 3.8Mt grading 1.80g/tAu and fresh material of 30.3Mt grading 1.84g/tAu. Ore Reserves reporting to stockpiles comprise a total of 2.0Mt grading 1.29g/tAu containing 85kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as 'open-pit' and reported within engineered designs as referenced herein.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 0.40g/tAu to 0.70g/tAu.

Table 5-20 presents a summary of the Ore Reserves to gold price sensitivity which compares the current Ore Reserves with the results of raw pit optimisations (measured and indicated categories only) with increasing gold price. In summary it is clear that at higher gold prices, increased mining inventory potential is dependent on conversion/upgrading of material currently classified in the inferred category as reflected by the current Mineral Resource statement reported at a gold price of US$1,500/ozAu. Currently Inferred Mineral Resources report 6.9Mt grading 1.50g/tAu for a total contained metal of 0.3MozAu. Furthermore, the current pit design supporting the Ore Reserves also includes a total of 3.6Mt grading 1.34g/tAu and containing 155kozAu which reports to the Inferred category but is included as waste material for the purpose of the LoMp schedule.

Table 5-19: Houndé Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Vindaloo Deposits OP	507	1.17	19	198	0.94	6	132	1.16	5	178	1.43	8
Stockpile SP	2,045	1.29	85	544	1.22	21	-	-	-	1,501	1.31	63
Subtotal	**2,553**	**1.26**	**104**	**742**	**1.15**	**27**	**132**	**1.16**	**5**	**1,679**	**1.33**	**72**
Probable												
Vindaloo Deposits OP	16,282	1.73	908	1,275	1.02	42	464	1.35	20	14,543	1.81	846
Bouéré OP	231	3.97	29	-	-	-	-	-	-	231	3.97	29
Dohoun OP	1,120	1.80	65	209	1.40	9	146	1.45	7	766	1.98	49
Kari Pump (inc. NE) OP	8,169	2.65	697	3,470	2.05	229	1,462	2.51	118	3,237	3.36	350
Kari West OP	15,336	1.39	684	3,945	1.34	170	1,552	1.35	67	9,838	1.41	447
Kari Centre-Gap OP	2,596	1.17	97	2,596	1.17	97	-	-	-	-	-	-
Subtotal	**43,734**	**1.76**	**2,480**	**11,495**	**1.48**	**548**	**3,624**	**1.82**	**212**	**28,616**	**1.87**	**1,720**
Ore Reserves												
Vindaloo Deposits OP	16,789	1.72	927	1,473	1.01	48	595	1.31	25	14,721	1.80	854
Bouéré OP	231	3.97	29	-	-	-	-	-	-	231	3.97	29
Dohoun OP	1,120	1.80	65	209	1.40	9	146	1.45	7	766	1.98	49
Kari Pump (inc. NE) OP	8,169	2.65	697	3,470	2.05	229	1,462	2.51	118	3,237	3.36	350
Kari West OP	15,336	1.39	684	3,945	1.34	170	1,552	1.35	67	9,838	1.41	447
Kari Centre-Gap OP	2,596	1.17	97	2,596	1.17	97	-	-	-	-	-	-
Stockpile SP	2,045	1.29	85	544	1.22	21	-	-	-	1,501	1.31	63

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Total	**46,287**	**1.74**	**2,584**	**12,237**	**1.46**	**575**	**3,755**	**1.80**	**217**	**30,295**	**1.84**	**1,792**

Table 5-20: Houndé Gold Mine: mining Inventory gold price sensitivity analysis as at 31 December 2020[(1)]

Gold Price (US$/oz)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
1,300	46,287	1.74	2,584
1,400	47,407	1.74	2,649
1,500	54,025	1.68	2,912

(1) Note that the mining inventory reported at a gold price of US$1,300/oz reflects the current Ore Reserves as reported herein and that for the higher price assumptions these reflect the material reporting within raw optimisation shells which have not been subject to detailed engineering pit designs.

5.4.6 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance CIM Definition Standards. Furthermore, it should also be noted that the historical statements (prior to 2019) have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 5-21 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted is an overall increase of 420koz which compares with total mining depletion of 219kozAu. This aside there are some notable adjustments included the significant additions at the Kari deposits and negative adjustments over and above depletion at the Vindaloo deposits. Ore Reserves were reported within designed shells assuming a gold price of US$1,250/oz for 2017 and 2018 and US$1,300/oz for 2019 and 2020.

Table 5-22 presents a total Ore Reserve comparison between historical reporting periods for Houndé Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated additions of 31Mt despite depletion of 15.1Mt grading 1.86g/tAu for a total of 0.9Moz. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Houndé Gold Mine over the reporting period considered.

Table 5-21: Houndé Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
Vindaloo Deposits	507	1.17	19	(304)	(0.84)	(33)	812	2.01	52
Stockpile	2,045	1.29	85	1,096	0.09	48	950	1.20	37
Subtotal	**2,553**	**1.26**	**104**	**791**	**(0.31)**	**15**	**1,762**	**1.57**	**89**
Probable									
Vindaloo Deposits	16,282	1.73	908	(5,297)	0.02	(281)	21,579	1.71	1,189
Bouéré	231	3.97	29	(583)	(0.33)	(83)	814	4.30	113
Dohoun	1,120	1.80	65	(39)	(0.05)	(4)	1,160	1.85	69
Kari Pump (inc. NE)	8,169	2.65	697	862	(0.34)	(7)	7,308	3.00	704
Kari West	15,336	1.39	684	15,336	1.39	684	-	-	-
Kari Centre-Gap	2,596	1.17	97	2,596	1.17	97	-	-	-
Subtotal	**43,734**	**1.76**	**2,480**	**12,873**	**(0.33)**	**405**	**30,861**	**2.09**	**2,075**
Ore Reserves									
Vindaloo Deposits	16,789	1.72	927	(5,602)	(0.01)	(315)	22,391	1.72	1,242
Bouéré	231	3.97	29	(583)	(0.33)	(83)	814	4.30	113
Dohoun	1,120	1.80	65	(39)	(0.05)	(4)	1,160	1.85	69
Kari Pump (inc. NE)	8,169	2.65	697	862	(0.34)	(7)	7,308	3.00	704
Kari West	15,336	1.39	684	15,336	1.39	684	-	-	-
Kari Centre-Gap	2,596	1.17	97	2,596	1.17	97	-	-	-
Stockpile	2,045	1.29	85	1,096	0.09	48	950	1.20	37
Total	**46,287**	**1.74**	**2,584**	**13,664**	**(0.33)**	**420**	**32,623**	**2.06**	**2,164**

Table 5-22: Houndé Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	30,601	2.11	2,075	-	-	-
2017	30,181	2.02	1,957	1,026	1.77	59

2018	27,528	1.97	1,740	5,822	2.61	488
2019	32,623	2.06	2,164	2,969	1.46	139
2020	46,287	1.74	2,584	5,324	1.28	219
Period	**2016 - Less depletion**			**2016 depleted Variance**		
	Tonnage (kt)	**Grade (g/tAu)**	**Content (kozAu)**	**Tonnage (kt)**	**Grade (g/tAu)**	**Content (kozAu)**
Ore Reserves						
2016	30,601	2.11	2,075	-	-	-
2017	29,575	2.12	2,016	606	(0.06)	(15)
2018	23,753	2.00	1,528	3,776	(0.15)	127
2019	20,784	2.08	1,388	11,839	(0.04)	758
2020	15,460	2.35	1,170	30,827	(0.39)	1,526

5.4.7 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2031 with total material mined of 410.0Mt and comprising open pit ore of 44.2Mt grading 1.76g/tAu at an average stripping ratio of 8.3t_{waste}:t_{ore} (Table 5-23; Table 5-24). Oxide material contributes some 44.7% of total material mined with transitional and fresh material contributing 11.0% and 44.3% respectively. Mining production in 2021 is projected from four open pit groupings (Figure 5-9) reducing to three pit groupings in 2022 and largely remaining at this level until 2028 at which point this increases to five open pit groupings for a brief period.

Total mined material is planned to increase from 43Mt to 57Mt by 2026 thereafter reducing back to current levels prior to cessation of open pit mining in 2029. Ore tonnage mined generally remains range bound between 4.3Mt and 7.3Mt. From 2021 through 2025 the proportion of oxide material mined generally ranges between 50% and 60% and reduces in 2026 due to the main mining activity occurring the in the fresh part of Kati and Vindaloo pits. From 2027 the oxide portion of mining increases to similar levels prior to 2026 as the new cutbacks with significant oxide material are mined at Vindaloo North, Madras and Koho, and predominantly oxide ore at the Kari pits. RoM grades remain generally range bound between 1.5g/tAu and 2.0g/tAu and generally varying in response to contributions from specific deposits and weathering type.

Individual weathering ore types within each deposit are ascribed different cut off grades, however the mining schedule is largely driven by grade categories: high grade for all ore greater than 2.5g/tAu; medium grade for all ore greater than 1.5g/tAu; low grade for all pits except Vindaloo pit groups which are 2.2g/tAu and 1.4g/tAu respectively; which cut-off grades align with the individual mill cut-off grades; and marginal ores for which the cut-off grades align with the individual mill cut-off grades but with the G&A costs reduced by 40%.

Accordingly, the stockpiling strategy assumes the development of four grade categories which are managed at both satellite RoM and Houndé CIL Plant RoM pads. Table 5-26 presents a summary by deposit of the ore grade categories which indicate that HGO and MGO together contribute 42% of the tonnage and 69% of the contained gold mined with, LGO contributing 49% of the tonnage and 28% of the contained gold mine. and the marginal grade ore representing 10% of the tonnage and 3% of the contained gold mined. Stockpile management over the LoMp indicates that total stockpile volumes remain at less than 0.4Mtpa with the marginal grade ore stockpiles contributing the majority of this by measure of both tonnage and gold content.

Mining operating expenditures per deposit are reported in Table 5-27 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$2.06/$t_{mined}$ with expenditures generally increasing over the mine life reflecting the varying haul distances due to pit depth and stockpile location.

Table 5-23: Houndé Gold Mine: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
Vindaloo	146,303	16,789	129,514	7.7	15.9	11.6	72.5
Bouéré	1,669	231	1,438	6.2	-	-	100.0
Dohoun	14,674	1,120	13,553	12.1	34.5	12.7	52.7
Kari Pump	118,704	8,169	110,535	13.5	71.5	11.5	16.9
Kari West	104,788	15,336	89,452	5.8	44.2	11.6	44.3
Kari Centre	16,020	1,621	14,399	8.9	98.9	1.1	-
Kari Gap	7,816	975	6,841	7.0	99.2	0.8	-
Total	**409,974**	**44,242**	**365,732**	**8.3**	**44.7**	**11.0**	**44.3**
HGO	393,632	42,890	350,741	8.2	45.3	10.9	43.7
BDGO	16,342	1,351	14,991	11.1	31.0	11.4	57.6
Total	**409,974**	**44,242**	**365,732**	**8.3**	**44.7**	**11.0**	**44.3**

Table 5-24: Houndé Gold Mine: open pit deposits ore mining inventory

Mined	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Vindaloo	16,789	1.72	927
Bouéré	231	3.97	29
Dohoun	1,120	1.80	65
Kari Pump	8,169	2.65	697
Kari West	15,336	1.39	684
Kari Centre	1,621	1.06	55
Kari Gap	975	1.34	42
Total	**44,242**	**1.76**	**2,499**
HGO	42,890	1.74	2,405
BDGO	1,351	2.17	94
Total	**44,242**	**1.76**	**2,499**

Table 5-25: Houndé Gold Mine: open pit mining start and depletion periods

Deposit	Start	End
Vindaloo	2021	2028
Bouéré	2021	2021
Dohoun	2028	2029
Kari Pump	2021	2028
Kari West	2021	2027
Kari Centre	2028	2028
Kari Gap	2027	2028
Total	**2021**	**2029**

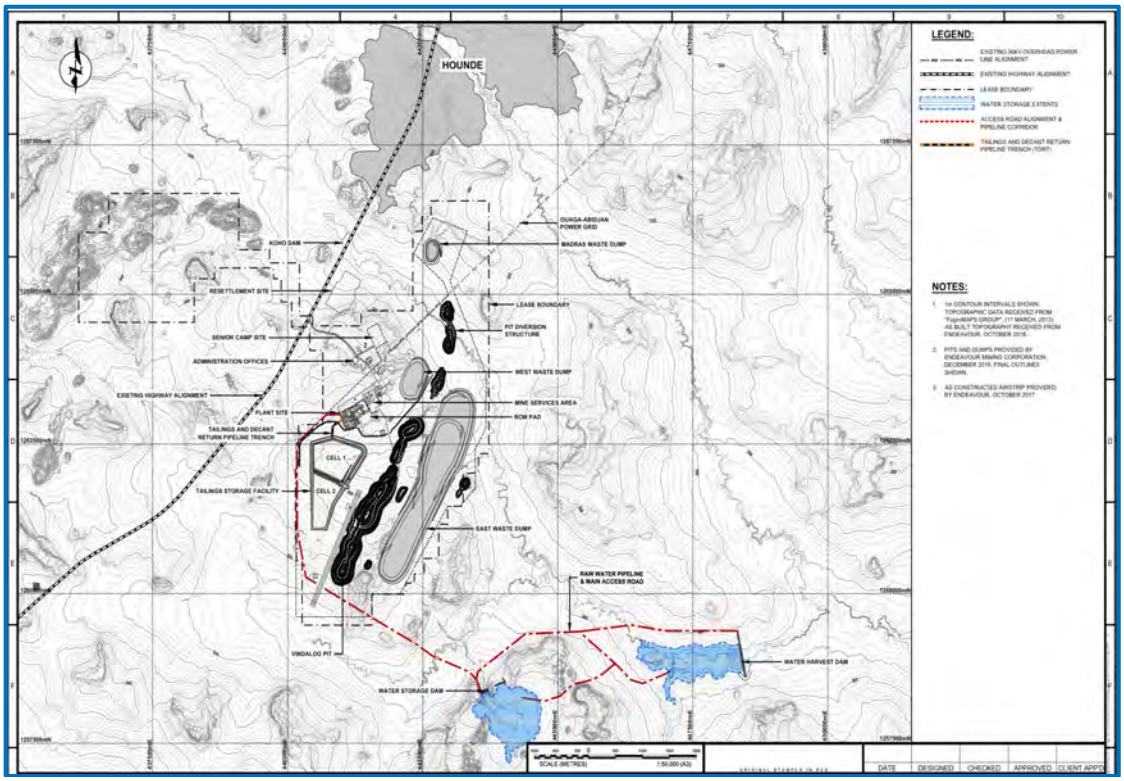
Table 5-26: Houndé Gold Mine: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Vindaloo	3,836	3.61	445	3,751	1.75	211	7,550	0.98	238	1,653	0.61	33
Bouéré	111	6.81	24	41	1.91	3	67	1.07	2	11	0.65	0
Dohoun	216	3.91	27	287	1.92	18	514	1.07	18	104	0.69	2
Kari Pump	2,626	5.29	446	2,230	1.94	139	3,061	1.08	106	253	0.64	5
Kari West	1,385	3.50	156	3,379	1.89	205	8,813	1.02	288	1,759	0.62	35
Kari Centre	63	3.75	8	170	1.82	10	1,109	0.92	33	279	0.55	5
Kari Gap	109	3.45	12	179	1.92	11	542	0.93	16	145	0.55	3
Total	**8,346**	**4.17**	**1,119**	**10,037**	**1.85**	**596**	**21,655**	**1.01**	**701**	**4,204**	**0.61**	**83**
HGO	8,019	4.14	1,067	9,708	1.85	576	21,075	1.01	681	4,089	0.61	80
BDGO	327	4.90	51	329	1.92	20	581	1.07	20	115	0.69	3
Total	**8,346**	**4.17**	**1,119**	**10,037**	**1.85**	**596**	**21,655**	**1.01**	**701**	**4,204**	**0.61**	**83**

Table 5-27: Houndé Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Vindaloo	146,303	2.38	348.5
Bouéré	1,669	2.87	4.8
Dohoun	14,674	2.10	30.8
Kari Pump	118,704	1.67	198.2
Kari West	104,788	2.14	224.6
Kari Centre	16,020	1.47	23.6
Kari Gap	7,816	1.55	12.1
Total	**409,974**	**2.06**	**842.7**
HGO	393,632	2.05	807.1
BDGO	16,342	2.18	35.6
Total	**409,974**	**2.06**	**842.7**

Figure 5-9: Houndé Gold Mine site layout



5.5 Mineral Processing

The Houndé CIL Plant was commissioned on 1 November 2017 with a nameplate capacity of 3.0Mtpa and following various adjustments and modifications now operates in excess of 4.0Mtpa. The Semi-Autogenous Ball Mill Crusher ("**SABC**") milling circuit produces an 80% passing 90-micron grind size. Ground fresh ore is fed to continuous centrifugal gravity concentrators to recover free and occluded gold in heavy particles (pyrite) to a low mass gravity concentrate. This gravity concentrate is processed through an intensive cyanide leach reactor followed by electrowinning to recover the gold. The CIL feed has the potential to be thickened and fed into a standard CIL circuit, with leach tails passing into a cyanide destruction process before being pumped to the TSF. The current LoMp assumes constant processing at a throughput of approximately 4.4Mtpa through to projected depletion of the Ore Reserves in 2031.

5.5.1 Process Plant Feed

The Houndé CIL Plant processes oxide, transition and fresh ore with variable ore characteristics, gold grades and metallurgical treatment requirements. The primary (fresh) ores are significantly more competent than the transitional and oxide ores and typically exhibit lower recoveries although specific mineralogy including the presence of preg robbing graphite also influences metallurgical plant efficiencies and recoveries.

Furthermore, plant throughput is influenced by the contribution to total feed tonnage of the various weathering types with the current increased throughput of 4.4Mt based on an assumed blend of 66% (fresh) and 34% oxide and transitional feed. Ore feed blend also influences power consumption owing to the variable hardness. Additionally, the gold tenor and mineralogy also influences consumption of key reagents and recovery.

Planned metallurgical recovery assumptions are largely based on a combination of site test work and third party testwork completed in 2017 for the Vindaloo and Bouéré deposits and 2019

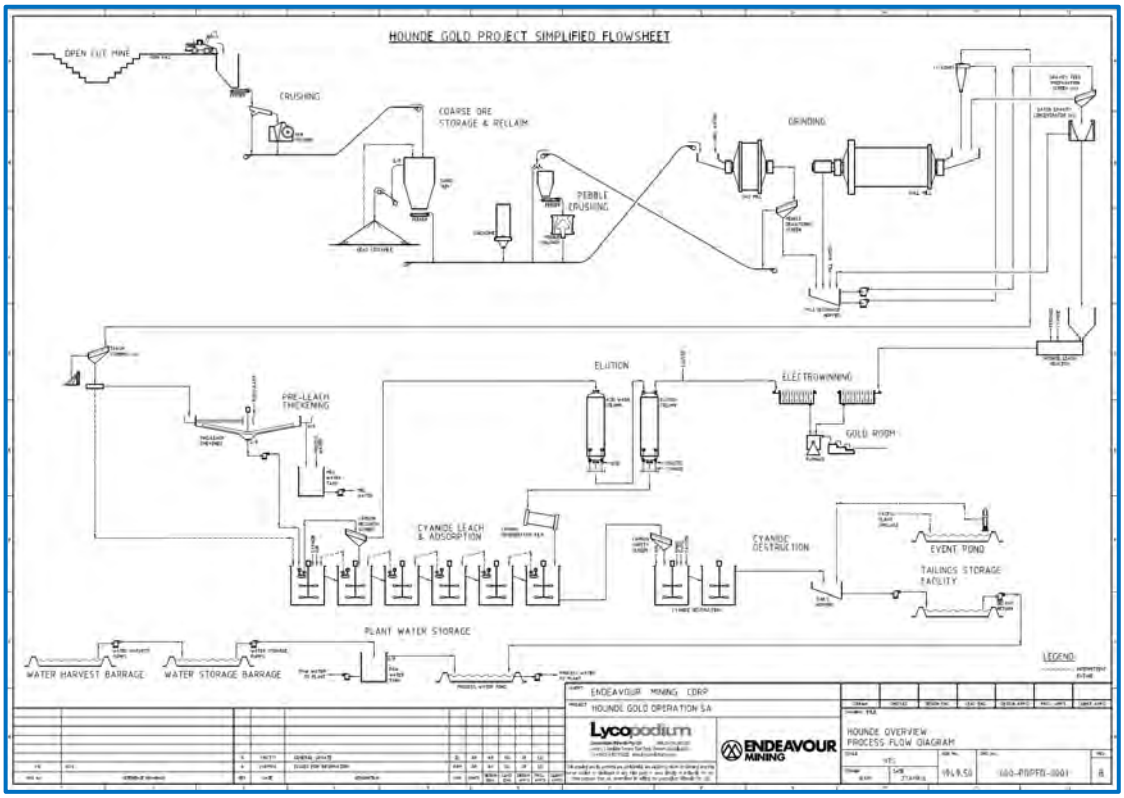
for the Kari deposits. The analysis applies metallurgical recoveries which vary by deposit and weathering type (oxide, transitional and fresh).

5.5.2 Flowsheet

The Houndé CIL Plant was initially installed with a nameplate capacity of 3.0Mtpa which was subsequently expanded to 4.4Mtpa. The principal components of the flowsheet comprise:

- **Crushing Circuit:** The RoM is delivered to a jaw crusher which reduces the ore to less than 200mm. The crushed ore is then transferred to a surge bin with a nominal 1-hour capacity, the surge bin overflow is directed to an emergency stockpile. During normal operation, the crushed ore from the surge bin is transported to the grinding circuit via a conveyor. In case of a breakdown or maintenance of the crushing circuit, crushed ore is recovered from the emergency stockpile by a loader and directed to the surge bin;
- **Grinding Circuit:** The primary grinding circuit consists of a standard SABC circuit originally designed to treat 3.0Mtpa to produce a ground ore where 80% is sub 90 microns in size. A portion of freshly ground ore is directed to the gravity circuit where coarse liberated gold is recovered and leached via an intensive leach reactor, followed by electrowinning and eventual gold recovery;
- **Leaching:** Ore that is not recovered via the gravity circuit is screened to remove any extraneous trash (wood, plastic, etc.) then can either be sent to a thickener to increase the percentage solids in the leach slurry or pumped directly to a conventional CIL circuit. The CIL circuit consists of a series of six agitated tanks where gold is dissolved in the presence of cyanide as the slurry flows sequentially from Tank 1 to 6. The dissolved gold adsorbs on the coarse activated carbon particles which are pumped in a counter-current direction from Tank 6 to 1, becoming progressively more loaded with gold in the process;
- **Carbon Recovery:** Once sufficiently loaded, by the time the carbon reaches Tank 1, the carbon granules are pumped from the primary tank over a screen to remove the slurry. The clean carbon is then washed with hydrochloric acid to remove any acid soluble base metals and impurities, before being transferred to the elution circuit;
- **Elution and Gold Production:** Concentrated cyanide caustic solution is circulated in the elution column and heated to 120°C. After sufficient time to enable the gold to be released from the carbon, the gold bearing solution is sent for electrowinning and eventual gold bullion production; and
- **Tailing Detoxification and Disposal:** The leached slurry, devoid of leachable gold exits the CIL where the free and WADCN are destroyed through the INCO cyanide detoxification process. In this process, sulphur dioxide, oxygen and copper sulphate are agitated in the tailings stream to destroy cyanide complexes down to an acceptable level. The detoxified tailings are pumped to the TSF, where the solid and liquid phases separate. The liquid phase is recycled back to the process plant and the solids allowed to dry and compact in the TSF.

Figure 5-10: Houndé CIL Plant: simplified flowsheet



5.5.3 Historical Performance

Analysis of historical performance to date indicates that both treated ore and gold production has increased significantly since commissioning in 2017. Performance for calendar 2020 reports a total of 4.23Mt milled grading 2.21g/tAu with metallurgical recovery of 92.0% to produce 278kozAu. Process plant availability is reported at 94.5% with utilisation of 98.6% and hourly throughput of 517t. Operating expenditures for 2020 indicated a total of US$14.11/$t_{milled}$ with direct processing contributing US$13.05/$t_{milled}$ and the balance reflecting maintenance related expenditures.

As at 31 December 2020 the reported gold-in-circuit and finished goods are reported at 3kozAu and 7kozAu respectively reflecting a total of 13 days of current production.

Table 5-28: Houndé CIL Plant: historical operating statistics

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Ore	(kt)	13,134	-	-	813	3,948	4,144	4,228
	(g/tAu)	2.15	-	-	2.75	2.29	1.83	2.21
	(kozAu)	907	-	-	72	291	243	301
Recovery	(%)	93.3	-	-	95.5	95.3	91.7	92.0
Recovered	(kozAu)	846	-	-	69	274	226	278
Produced	(kozAu)	846	-	-	69	277	223	277
Sold	(kozAu)	842	-	-	61	276	227	278
Gold in Circuit	(kozAu)	10	-	-	-	2	5	3
Finished Goods	(kozAu)	7	-	-	-	-	-	7
Efficiency								
Availability	(%)		-	-	-	94.6	96.2	94.5
Utilisation	(%)		-	-	-	98.0	98.0	98.6
Throughput	(%)		-	-	-	482	501	517
Opex								
Processing	(US$m)	161.1	-	-	7.85	46.37	51.70	55.18
Maintenance	(US$m)	15.8	-	-	-	6.71	4.58	4.47
Total	**(US$m)**	**176.9**	**-**	**-**	**7.85**	**53.08**	**56.28**	**59.66**
Processing	(US$/t)	12.27	-	-	9.65	11.74	12.48	13.05
Maintenance	(US$/t)	1.20	-	-	-	1.70	1.11	1.06
Total	**(US$/t)**	**13.47**	**-**	**-**	**9.65**	**13.44**	**13.58**	**14.11**

5.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput of approximately

4.4Mtpa from 2021 through 2030 and reducing to 3.1kt in 2031. Following cessation of mining operations in 2029, the Houndé CIL Plant continues to process stockpiled low-grade ores for a further two years with processing operations terminating in 2031.

Total ore processed (Table 5-29) is reported at 46.3Mt grading 1.74g/tAu with weathering type (Table 5-30; Table 5-31) ores contribution by tonnage reported at 26.4%, 8.1% and 65.5% for oxide, transitional and fresh ores respectively. The weighted average metallurgical recovery projected over the LoMp is estimated at 90.9% (Table 5-32) with recoveries for oxide, transitional and fresh ores reporting 94.4%, 89.0% and 90.0% respectively.

From 2021 onwards the annual proportion of fresh and transitional ore processed increases and exceeds the historical design criteria of 88% fresh ore in 2026 and 2030. Accordingly there remains a risk that the planned ore throughput in this period remains challenging and further work will be required to consider the impact of the specific deposit ore feed hardness on mill throughput and to consider a combination of strategic alternatives including rescheduling of the ore feed blend through stockpile management and/or reducing the overall feed planned during this period. Over the LoMp period metallurgical recoveries are assumed to continue to range between 89% and 92%. From 2029 onwards the processing of stockpiled material significantly reduces the average feed grade to approximately 1.0g/tAu, accordingly, there remains a risk that the projected recoveries during this period are not achieved and will be lower than currently assumed. On the other hand, there is significant exploration potential around the Vindaloo Main pit and extension of the Kari pits, along with other new pit additions expected before 2029 to compensate for potential lower recovery impact for low grade ore.

Operating expenditures are derived based on deposit specific assumptions which vary by deposit and in certain instances by weathering type as reported in Table 5-33. The weighted average LoMp processing costs is forecasted at US$13.79/$t_{milled}$ and generally remains range bound between US$13.00/$t_{milled}$ and US$15.00/$t_{milled}$.

From 2023 onwards the Group has assumed implementation of certain efficiency savings and in addition its solar power plant initiative at Houndé Gold Mine. The solar power project is currently undergoing entering the negotiation phase with potential providers and is assumed to result in a further (post efficiency saving) 10% reduction in overall processing costs and are factored into the current LoMp assumptions.

Table 5-29: Houndé CIL Plant: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Vindaloo	16,789	1.72	927	1,463	1.31	62	18,252	1.68	988
Bouéré	231	3.97	29	65	1.54	3	296	3.43	33
Dohoun	1,120	1.80	65	-	-	-	1,120	1.80	65
Kari Pump	8,169	2.65	697	517	1.20	20	8,687	2.57	717
Kari West	15,336	1.39	684	-	-	-	15,336	1.39	684
Kari Centre	1,621	1.06	55	-	-	-	1,621	1.06	55
Kari Gap	975	1.34	42	-	-	-	975	1.34	42
Total	**44,242**	**1.76**	**2,499**	**2,045**	**1.29**	**85**	**46,287**	**1.74**	**2,584**
HGO	42,890	1.74	2,405	1,980	1.28	82	44,870	1.72	2,486
BDGO	1,351	2.17	94	65	1.54	3	1,417	2.14	98
Total	**44,242**	**1.76**	**2,499**	**2,045**	**1.29**	**85**	**46,287**	**1.74**	**2,584**

Table 5-30: Houndé CIL Plant: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Vindaloo	18,252	1.68	988	1,500	1.02	49	595	1.31	25	16,157	1.76	914
Bouéré	296	3.43	33	-	-	-	-	-	-	296	3.43	33
Dohoun	1,120	1.80	65	209	1.40	9	146	1.45	7	766	1.98	49
Kari Pump	8,687	2.57	717	3,987	1.94	249	1,462	2.51	118	3,237	3.36	350
Kari West	15,336	1.39	684	3,945	1.34	170	1,552	1.35	67	9,838	1.41	447
Kari Centre	1,621	1.06	55	1,621	1.06	55	-	-	-	-	-	-
Kari Gap	975	1.34	42	975	1.34	42	-	-	-	-	-	-
Total	**46,287**	**1.74**	**2,584**	**12,237**	**1.46**	**575**	**3,755**	**1.80**	**217**	**30,295**	**1.84**	**1,792**
HGO	44,870	1.72	2,486	12,028	1.46	566	3,610	1.81	210	29,233	1.82	1,711
BDGO	1,417	2.14	98	209	1.40	9	146	1.45	7	1,062	2.38	81

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Total	**46,287**	**1.74**	**2,584**	**12,237**	**1.46**	**575**	**3,755**	**1.80**	**217**	**30,295**	**1.84**	**1,792**

Table 5-31: Houndé CIL Plant: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
Vindaloo	1,500	595	16,157	18,252	8.2	3.3	88.5
Bouéré	-	-	296	296	-	-	100.0
Dohoun	209	146	766	1,120	18.6	13.0	68.4
Kari Pump	3,987	1,462	3,237	8,687	45.9	16.8	37.3
Kari West	3,945	1,552	9,838	15,336	25.7	10.1	64.2
Kari Centre	1,621	-	-	1,621	100.0	-	-
Kari Gap	975	-	-	975	100.0	-	-
Total	**12,237**	**3,755**	**30,295**	**46,287**	**26.4**	**8.1**	**65.4**
HGO	12,028	3,610	29,233	44,870	26.8	8.0	65.1
BDGO	209	146	1,062	1,417	14.7	10.3	75.0
Total	**12,237**	**3,755**	**30,295**	**46,287**	**26.4**	**8.1**	**65.4**

Table 5-32: Houndé CIL Plant: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
Vindaloo	45	23	842	909	90.4	91.2	92.1	92.0
Bouéré	-	-	28	28	-	-	85.2	85.2
Dohoun	9	6	41	56	93.8	90.0	84.6	86.5
Kari Pump	237	105	287	628	95.0	88.7	82.0	87.6
Kari West	162	60	414	636	95.0	88.7	92.7	92.9
Kari Centre	52	-	-	52	94.1	-	-	94.1
Kari Gap	39	-	-	39	94.1	-	-	94.1
Total	**543**	**193**	**1,612**	**2,348**	**94.4**	**89.0**	**90.0**	**90.9**
HGO	534	187	1,543	2,264	94.4	89.0	90.2	91.1
BDGO	9	6	69	84	93.8	90.0	84.8	86.0
Total	**543**	**193**	**1,612**	**2,348**	**94.4**	**89.0**	**90.0**	**90.9**

Table 5-33: Houndé CIL Plant: operating expenditures

Deposit	Processed	Opex	
	(kt)	(US$/t)	(US$m)
Vindaloo	18,252	14.67	267.8
Bouéré	296	15.10	4.5
Dohoun	1,120	13.96	15.6
Kari Pump	8,687	12.74	110.6
Kari West	15,336	13.76	211.0
Kari Centre	1,621	11.02	17.9
Kari Gap	975	11.02	10.7
Total	**46,287**	**13.79**	**638.1**
HGO	44,870	13.77	618.0
BDGO	1,417	14.20	20.1
Total	**46,287**	**13.79**	**638.1**

5.6 Waste Management

Waste management at Houndé Gold Mine is primarily focused on the TSF and the various existing and planned WRDs which service the Houndé CIL Plant and open-pit mining operations respectively. Whilst the TSF is HDPE and clay lined, the current waste management facilities both with respect to operational, closure and post-closure considerations do not consider at present any detailed engineering consideration which may be required to address acid rock drainage and metal leaching. Accordingly, SRK notes that whilst sufficient operating physical capacity exists to deposit and store waste arisings from the Houndé CIL Plant and the mining operations, post closure management has not yet been sufficiently advanced to rule out any further changes which may be required to address these items.

5.6.1 Tailings Storage Facility

The TSF (Figure 5-11; Figure 5-12; Figure 5-13) is owned and operated by Houndé Gold Mine and was commissioned on 1 November 2017 and is located less than 1km to the south of the Houndé CIL Plant. The facility comprises a two-cell paddock storage surrounded by downstream constructed, earth fill embankments. The consequence category of the Houndé TSF is 'High C' (based on ANCOLD guidelines).

The TSF design includes: a cleared and grubbed basin; a composite soil/HDPE liner for the TSF embankments; an upgraded 500mm HDPE tailings delivery pipeline; a 400mm HDPE

tailings distribution pipeline and spigot system; a basin drainage system including finger drains and underdrains; collection sumps located at the embankment upstream toe where water is pumped to the supernatant pond via a submersible pump; a pump out decant system controlling the supernatant pond; a water harvest dam ("**WHD**") with a maximum capacity of 1.6Mm^3 and a cut off trench; a water storage dam ("**WSD**") with a maximum capacity of 3.1Mm^3; spillways for both the WHD and WSD designed for a 1 in 100 year recurrence interval storm event.

The facility is designed to be raised in stages over the mine life using downstream embankment construction techniques. The total footprint area (including the basin area) is 107ha. The long-term footprint of the raised facility is approximately 210ha.

The TSF was constructed with an upstream toe drain and system of finger drains. A network of underdrains was incorporated into the basin area to reduce the seepage potential and increase the tailings density. The underdrainage system drains by gravity to collection sumps located at the embankment upstream toe. Solution recovered from the underdrainage system is pumped on to the tailings via a submersible pump, reporting to the supernatant pond. Tailings is deposited into the storage facility by multi-point spigotting. The discharge point is moved regularly to distribute the tailings over the entire area.

The principal operating design parameters for the TSF comprise: annual deposition rate of 4Mtpa (which has increased since the original nameplate capacity of 3.0Mtpa); percent solids deposition rate of 44%; tailing beach slope angle of 100H:1V; and dry placed density of 1.40t/m^3 which can be compared with the current deposition of 1.25t/m^3.

Water is drawn off the TSF for re-use in the processing plant via decant towers located on the central dividing wall between the two cells, with one tower in each cell. Submersible pumps are located within the decant tower and supply in the range of 65% to 75% of the daily raw water requirements for the processing plant.

Additional water can be supplied from a cross-valley storage WHD with a 6m high embankment which pumps water to a cross-valley WSD which has a 12m high embankment. The WSD is designed primarily as a water storage structure, with the main input coming from the WHD abstraction system. This was to take advantage of the large catchment area of the WHD, and the significantly better storage properties of the WSD valley.

An overflow spillway is located through the southern abutment of the WHD to protect the embankment from overtopping when the inflow exceeds the storage capacity along with the abstraction rate from the facility. The spillway is expected to flow during average climatic years during the wet season. The spillway was designed to pass a 1 in 100-year recurrence interval storm event, occurring within the WHD catchment, with the reservoir at spillway level.

An overflow spillway is located within the eastern abutment of the WSD saddle dam, to protect the embankments from overtopping in case of the inflow exceeding the storage capacity of the facility. The spillway was designed to pass a 1 in 100-year recurrence interval storm event, occurring with the WSD reservoir at spillway level.

The TSF is supported by a full history of documented scoping, feasibility and design studies, together with operational management, monitoring and inspection documentation, and as-built data , which were undertaken/completed by Knight Piésold Pty Ltd (**"KP**") between 2013 and 2020. These studies include ground investigations; laboratory testing; stage/capacity curves; slope stability and seepage analysis; detailed operational water balance; dam break analysis; facility consequence classification; design storm calculations; pond and spillway sizing; risk and opportunity assessment; as-built information and specifications.

KP is also appointed as the EoR for the TSF. The EoR undertakes regular independent review

of performance monitoring data and undertakes periodic inspections and Audits. The recommendations from the Audits are actioned by the site team under further review by the EoR. In addition to performance monitoring, daily visual inspections are conducted by the site responsible personnel and reported in accordance with the operating procedures.

The key findings as outlined in the latest independent audit report noted the following:

- **Water management:** The TSF, WHD and WSD are generally being operated in accordance with the design intent, however a key issue is water management on the TSF. The supernatant pond is large and is not yet achieving the design intent, causing a decrease in deposited density of the tailings. This appears to be due to three main factors: annual rainfall during 2018/2019 being 34% (1,141mm) higher than the long-term average of 849mm; increased (30%) design throughput from 3Mtpa to 4Mtpa; additional raw water was being utilised for the Knelson concentrators which was subsequently amended in mid-July 2019, reducing the annual raw water input by approximately 0.5Mm^3. The monthly plant data indicates a reasonable decant reclaim of approximately 69% and the decant return should be increased to decrease pond size and a water balance review should be conducted. Other observations highlighted in recent audit reports indicated as follows:

  The decant tower for Cell 1 has not yet been raised and has approximately 1m of freeboard, and this should be raised as soon as practical before the freeboard is lost due to the large supernatant pond. Additionally, the mine waste needs to be placed and shaped to promote drainage into the basin area or to the downstream face;

- **Erosion Control:** Recommendations were made to prevent damage by erosion, including: stabilising the diversion channel slope (between plant site and TSF) with waste rock; reshaping the crest profile in isolated areas of the TSF to prevent water ponding; determining the flow path of the internal erosion noted in the WHD and buttressing the downstream toe with rockfill;

- **Consequence Category:** As the project progresses, and the TSF expands, the dam '*consequence category*' will require regular review to make sure that there is capacity to accommodate appropriate design storm and earthquake loads. PAR, and severity of damage/loss may vary through the project life and this is recommended to be reassessed for each design stage; and

- **Seepage:** Some seepage was also noted from the WHD on the left abutment, although this continues to flow when the WHD is dry so is likely to be groundwater seepage from native laterite gravels. Seepage was also noted from the left abutment of the WSD. This dries up when the water level is below 1.8Mm^3 capacity (approximately 4m below the crest).

SRK understands that a number of the above items have largely been addressed through completion of remedial action and other operational changes as required. This has resulted in a significant reduction in the size of the pond in H1 2021 and the raising of the decant tower has now been completed.

To date a total of 13.1Mt of material has been deposited onto the TSF and the current LoMp requires deposition of a further 46.3Mt from 1 January 2021 onwards which provides for a total deposition requirement of 59.4Mt. This is more than that current estimated total capacity of 53.0Mt and Houndé Gold Mine is currently investigating various options to cater for the additional 6.4Mt which include: additional lift stages to cell 1 and 2; establish a new cell 3 located next to cell 1 and cell 2; or construction of a new TSF at the Kari Complex in the event that production is expanded well above that currently assumed in the LoMp. The current design assumes total additional constructed capacity of 33.61Mt for a total additional capital

expenditure of US$44.0m which provides for a unit capacity rate of US$1.31/t placed. Accordingly, whilst various options are available to be pursued there remains a risk that further costs of approximately US$8.4m will be required to secure the necessary additional capacity of 6.4Mt which is currently not included in the Houndé Gold Mine capital provisions to date.

Table 5-34: Houndé TSF deposition

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Arisings	(kt)	13,134	-	-	813	3,948	4,144	4,228
	(g/tAu)	0.14	-	-	0.13	0.14	0.13	0.16
	(kozAu)	61	-	-	3	17	18	22
TSF Placed	(kt)	13,134	-	-	813	4,762	8,905	13,134
	(g/tAu)	0.14	-	-	0.13	0.13	0.13	0.14
	(kozAu)	61	-	-	3	21	38	61

Figure 5-11: Houndé Tailings Storage Facility

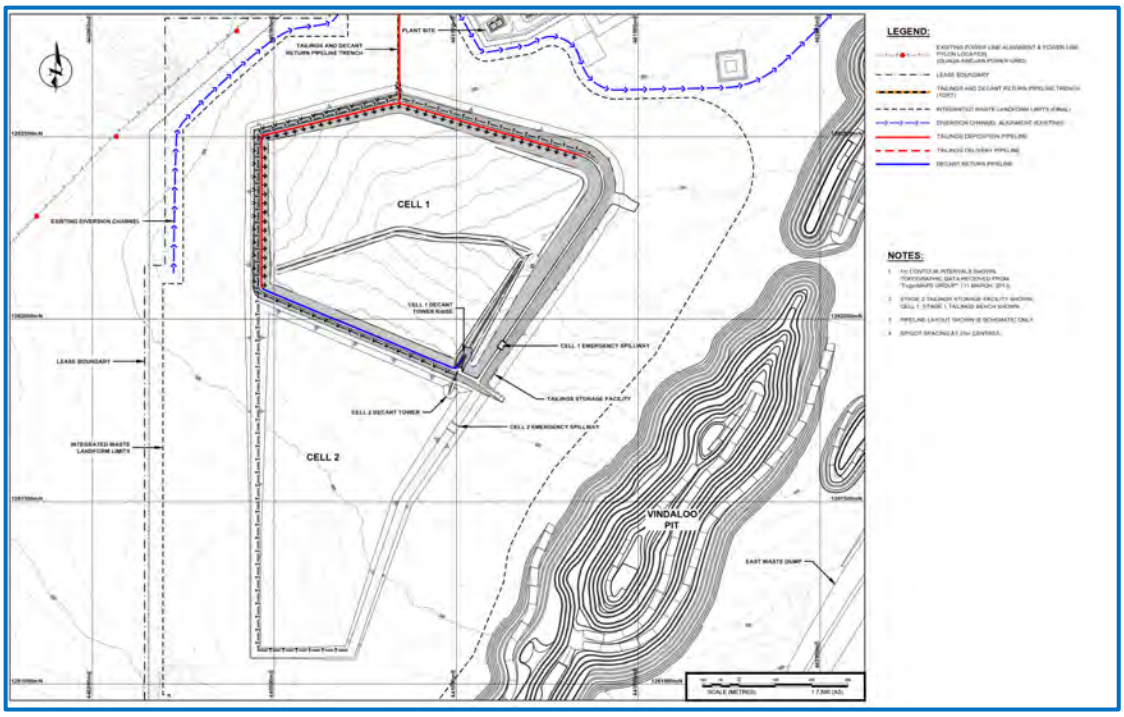


Figure 5-12: Houndé Tailings Storage Facility: Cell 2 active deposition



Figure 5-13: Houndé Tailings Storage Facility: Cell 1 inactive



5.6.2 Waste Rock Dumps

The total waste rock to be mined over the LoMp is estimated at 365.7Mt comprising 170.7Mt of oxidised material, 41.0Mt of transitional material and 154.0Mt of fresh (unweathered material). The mined material is planned to be stored in nine dedicated waste rock dump facilities (Vindaloo East 1&2, Vindaloo East 3, Vindaloo West, Madras, Bouéré, Dohoun, Kari Pump, Kari West and Kari Central) and also dedicated towards construction of TSF raises. In-situ mined volumes are converted to lose cubic metres via appropriate bulking factors applied to material type which results in an overall weighted average of 1.33. Total waste material mined to date is estimated at 126.0Mt a portion of which was used in construction activities for the TSF. The current TSF LoMp construction requires an estimated 11Mm^3 of waste rock for construction of Zone C which is larger than the quantum allocated at 8.4Mm^3 to the TSF as reported in Table 5-35 below.

Table 5-35: Houndé Gold Mine: LoMp Waste Rock Dump deposition

WRD	Initial Capacity: Opening Balance (Mm^3)	Historical Deposition (Mm^3)	Remaining Capacity: Opening Balance (Mm^3)	LoMp (Mm^3)	Residual Capacity: Closing Balance (Mm^3)
East 1&2	51.5	14.4	37.1	34.8	2.3
East 3	63.8	8.6	55.2	24.3	30.9
West	10.4	3.9	6.5	1.0	5.5
Madras	3.0	-	3.0	2.1	0.9
Bouéré	9.1	5.1	4.0	0.6	3.4
Dohoun	9.3	-	9.3	7.7	1.6
Kari Pump	81.7	3.7	78.0	74.0	4.0
Kari West	55.0	-	55.0	52.5	2.5
Kari Central	27.4	-	27.4	14.5	12.9
TSF	-	33.1	-	8.4	-
Total	**311.2**	**68.8**	**275.5**	**220.2**	**63.7**

5.7 Infrastructure

The overall site development plan includes the mine site and associated infrastructure including the process plant, tailings storage facility, accommodation camp, roads, mine services area, mine open pit and mine waste dump.

The process plant and tailings storage facility are located on the western side of the open pit, outside the 500m blast zone. The RoM pad location has been selected for its centralised

location close to major pits, as well as proximity to the mine services area. The accommodation camp is located northwest of the Houndé CIL Plant. The main access road approaches the site from the west and the layout provides easy access for personnel and material movements.

The permit perimeter is fenced to prevent animal access and deter access by unauthorised persons and monitored high security fencing surrounds the Houndé CIL Plant, with road access through a manned checkpoint. Security fencing surrounds the accommodation camp and general site infrastructure.

5.7.1 Access and Transportation

Access to the Houndé Process Plant site from the N1 Highway is via a 9m wide by 1.5km long sealed road. The Houndé Gold Mine administration offices is located adjacent to the sealed access road, just inside the manned access point, with the accommodation camp located approximately 700m north of these offices.

The main railway line between Abidjan, the chief port in Cote d'Ivoire, and Ouagadougou passes approximately 28km to the north of the site along the D40 main road heading north west from Houndé town. There is a major station at Bobo-Dioulasso that is in active use for freight, plus a minor station at Béréba (26km from Houndé) which services the local cotton producers, and with minor modifications would be suitable as a terminal to receive construction materials and equipment and ongoing operational supplies, especially those that can be containerized for security of shipment and ease of handling.

The main ports serving Houndé Gold Mine are Abidjan, in Cote d'Ivoire and Tema in Ghana. Both ports are connected to Burkina Faso by main roads and provide the prime entry point for importation of equipment and fabrications. Both ports can handle all types of cargo required for the mine. Freight from Abidjan can be sent via rail through to Bobo-Dioulasso, which is around 20% less expensive than road, though takes longer due to scheduling constraints.

5.7.2 Power Supply and Distribution

The total installed electrical power generation in Burkina Faso in 2019 reports a total of 318MW with thermal plants (diesel and heavy fuel oil) contributing 253MW and hydropower and solar 32MW and 33MW respectively. Burkina Faso currently has some of the most expensive electricity in the region, with cost of production at USc22/kWh to USc28kWh.

The high voltage power supply for the Houndé Gold Mine is a tap off from the existing 225kV line interconnecting between the Kodeni and Pa substations. Two tension towers were erected at close proximity to the 225kV line tap off point, allowing 225kV supply to be fed to the Houndé switchyard. This switchyard is located about 70m from the process plant HV switch room.

In addition to grid supply (presently assumed at 90%), a back-up power supply facility was constructed to counter grid supply reliability issues. This comprises a light fuel oil ("**LFO**") power generation plant (the "**Houndé Power Plant**") which contributes approximately 10% of power supply to the Houndé Gold Mine. The power plant has an installed capacity of 25.6MW and includes eighteen Caterpillar 3516B diesel engines, each rated at approximately 1.6MW. The power plant start-up has been synchronized with the high voltage switch yard located at the Houndé Gold Mine; whereby, variations in incoming loads triggers soft start of the power station and supply to the main incomer, limiting operational down time as much as possible.

The Houndé Power Plant has a standalone fuel storage facility with 30kL of capacity, which allows diesel tankers to offload independent of the contracted fuel facility located at the Mine Services Area.

The Group is currently investigating the implementation of a solar power energy project at Houndé Gold Mine and the assumptions as incorporated into the current LoMp incorporates

the result of technical work completed over the past two years. The current proposal at Houndé Gold Mine assumes a two phased approach:

- Phase 1 which includes a 23MW_P/18MW_{AC} PV Plant paired with a Battery Storage System. The capacity and size of Phase 1 was calculated to maximize the amount of time the PV Plant would cover 100% of energy demand. Houndé Gold Mine currently suffers from approximately 7 power outages per month and for each power trip, there is a 7-minute lag before the backup generators kick in, accordingly the Battery Storage System will be sized to bridge the gap; and
- Phase 2 will include an additional 28MW_{AC} PV plant to generate energy to be sold to Sonabel (the national grid). Phase 2 has been sized to generate enough solar energy to cover 100% of the Houndé Gold Mine's annual consumption.

The Group is also in advanced discussions with various solar plant providers, some of which develop, finance, construct and operate renewable energy power plants. The anticipated timeline for construction and commissioning is estimated at approximately 18 months and the current schedule assumes a construction start-up between Q4 2021 and Q1 2022. Furthermore, the Group intends to formalise the agreements whereby the capital and operating expenditures are priced into a power purchase agreement between the Group and the selected provider. Any additional capital is assumed to be limited to the preparation of the project site for which initial estimates are estimated at US$2.0m.

The current LoMp operating cost assumptions incorporate an assumed reduction of approximately 10% of the process plant operating costs which is supported through: analysis of Houndé Gold Mine's current energy consumption and the supply contribution from off peak tariffs (40%), peak tariffs (57%) from the national grid and the current light fuel oil power generation plant (3%). Under the current structure, Houndé Gold Mine's energy costs are assumed to be forecasted at US$26mpa reflecting some 43% of the overall annual processing plant operating expenditures. It is assumed that Phase 1 of the solar power plant will facilitate displacement of 40% of the power sourced from the grid and current power purchase agreements indicate an 9.5c/kWh which would generate a saving of approximately US$4.5mpa and in addition it is assumed that energy generated by Phase 2 would be sold to Sonable at an assumed price of USc10.5/kWh to contribute to the total savings assumed at some 10% of the unit processing costs.

5.7.3 Water Supply

Raw water is pumped from a WHD situated to the east of the Vindaloo open pit and bores, to a surge tank ahead of a treatment plant. Water from this surge tank is pumped on demand to the plant raw water tank. The raw water tank has sufficient capacity to minimise the impact of short-term supply interruptions. Duty/stand-by water pumps are provided for the raw water distribution to the plant. The mean annual runoff at the WHD is estimated to be 4.8Mm^3 from a catchment area of 21,850ha.

A water storage site was identified approximately 5km west of the water harvest dam site. This WSD has a catchment area of only 400ha and so could not replace the harvest dam, but due to its more efficient storage characteristics and relatively small embankment, it was selected as a storage facility to be supplied from the harvest dam during the wet season. The water storage dam has a capacity of 1.5Mm^3 and has a surface area of 58ha at full capacity.

Filtered water for the Houndé CIL Plant is produced by treating raw water in a treatment plant which consists of clarification through flocculant addition, sand filtration, carbon filtration and biocide dosing. Filtered water reports to the filtered water storage tank and is distributed to the

plant as required using duty / stand-by pumps. Filtered water is supplied to the potable water treatment plant, which includes micro filtration, ultra-violet sterilisation and chlorination processes. Potable water is stored in the plant potable water tank and is reticulated to the site ablutions, safety showers and other potable water outlets. Transfer pumps also feed water to a separate camp potable water tank for reticulation. Additional ultra-violet sterilisation units are installed on outgoing potable water distribution headers.

Process water is pumped from the TSF decant to the plant process water tank. The plant process water consists of TSF decant return water and raw water tank overflow. The process water tank is located such that the raw water tank overflows to the process water tank allowing the process water tank to be kept full at all times.

5.7.4 Hydrocarbon Storage

Fuel storage comprises of two 800m³ double skinned self-bunded fuel storage tanks and pump skids located within the mining services area. This provides sufficient fuel for the needs of the mining fleet and emergency power if there is any disruption of fuel supply. The fuel farm is managed by the fuel supplier (TOTAL) with fuel trucked in regularly from Ouagadougou to maintain volumes.

5.8 Human Resources

Houndé Gold Mine presently reports 2,316 TEC comprising, 1,255 employees and 1,061 contractors (Table 5-36). The annual labour operating expenditure for 2020 is reported at US$28.9m which provides for an estimated average cost per TEC of US$1,922 per calendar month.

Table 5-37 presents the historical productivity metrics for Houndé Gold Mine reported from 2017 through 2020 inclusive. This indicates that total material processed per TEC per month has reduced to 152t/TEC/m as has gold production to 310g/TEC/m. These metrics are not assumed to change significantly over the LoMp and in broad terms remain relatively constant.

Table 5-36: Houndé Gold Mine: historical human resources

Statistic	Units	2018	2019	2020
Expatriates	(No)	57	48	42
Nationals	(No)	1,002	1,095	1213
Subtotal	**(No)**	**1,059**	**1,143**	**1,255**
Contractors	(No)	600	723	1,061
Daily Workers	(No)	**1,659**	**1,866**	**2,316**
Total	**(No)**	**26,894**	**28,974**	**28,945**
Management Localisation	**(No**	2,116	2,112	1,922
Labour operating expenditure	(US$k)	57	48	42
	(US$/TEC/m)	1,002	1,095	1213

Table 5-37: Houndé Gold Mine: historical productivity metrics

Statistic	Units	2017	2018	2019	2020
Physicals					
Processed	(kt)	-	3,948	4,144	4,228
Produced	(kozAu)	-	277	223	277
Productivity					
TEC	(No)	-	1,659	1,866	2,316
	(t/TEC/m)	-	198	185	152
	(g/TEC/m)	-	433	310	310

5.9 Occupational Health and Safety

Occupational health and safety at Houndé Gold Mine is managed in accordance with an ISO 45001:2018 management system framework. Since commencement of operations, including construction, Houndé Gold Mine has reported zero Lost Time Injuries ("**LTI**"). The AIFR also reported per million man-hours worked reported 1.88 for 2020 which can be compared with 2.42 for 2019 (Table 5-38).

Reducing malaria in neighbouring communities is one of the Group's key health goals, with a target of 10% reduction in malarial incidence rates across the group year-on-year. In 2020 a

total of 183 malaria cases were reported which is a significant reduction over that reported in 2019 (432) and 2018 (912). Houndé Gold Mine's malaria prevention programmes include fogging in camps, working areas and villages, reduction of stagnant water, distribution of impregnated mosquito nets, communication programmes for malaria prevention (toolbox talk, video and awareness sessions). The Houndé Gold Mine clinic is staffed with a paramedical team who can treat or refer and deal with emergency situations and each employee is covered by a health insurance policy, which gives access to off-site medical facilities (clinic, hospital, pharmacy) and questionnaires to be filled in for all personnel who contact malaria to understand how and why this occurred.

Table 5-38: Houndé Gold Mine: historical occupational health and safety statistics

Statistic	Units	2015	2016	2017	2018	2019	2020
Safety							
Fatality	(No)	-	-	-	-	-	-
Lost Time Injury	(No)	-	-	-	-	-	-
Total Time	(mmh)	-	-	5.77	4.39	4.14	4.79
LTIFR	(No/mmh)	-	-	-	-	-	-
AIFR		-	-	11.93	3.19	2.42	1.88
Occupational Health							
Malaria Cases	(No)	-	-	716	912	552	183

5.10 Environmental and Social Management

5.10.1 Environmental Authorisations

Environmental approvals for the Houndé Gold Mine are listed in Table 5-39 where each approval was based on an ESIA. The environmental approvals have attached conditions that cover: preferential use local labour for unskilled jobs; ongoing engagement with communities; compliance with conditions of approval and commitments made; annual reporting on compliance to the environmental authority National Office of Environmental Assessments within the Ministry of the Environment, Green Economy and Climate Change; environmental audits of the mines every three years with audit reports submitted to the authority; and routine monitoring of water, noise, vibration and dust impacts. The conditions of the environmental approvals also require resettlement and compensation of affected parties ahead of mining; observation of the customs of the people concerned in the management of graves and sacred sites; and provision of potable water sources (such as boreholes) where the project impacts on community water.

Additional requirements for the Houndé Gold mine include a buffer zone of at least 500m around the TSF, a closure plan for the TSF, and emergency and water management plans.

Table 5-39: Houndé Gold Mine primary environmental approvals

Component	Decisions on environmental approvals
HGO	
Vindaloo pit, the CIL plant and TSF	Arrêté 2014-150/MEDD/CAB granted in August 2014, amended in December 2016 by Decree No. 2016-521/MEEVCC/CAB to change the location of the TSF.
Kari Pump pit	Arrêté 2020-293/MEEVC/CAB granted in June 2020
Kari West pit	Arrêté 2021-104/MEEVC/CAB granted in March 2021
Kari Centre/Kari Gap pit	
Kari Pump NE extension deposit Kari South deposit	New resources, no ESIAs have been undertaken yet so no environmental approvals have been granted
BDGO	
Bouéré and Dohoun deposits	Arrêté 2016-411/MEEVCC-CAB granted in October 2016

Key secondary approvals obtained for the operations are for construction of the water harvest and storage dams in 2015 and development of a transmission line (225kV) in 2016. Four Resettlement Action Plans have been prepared; one for the main Houndé mining site (2013), two for the Bouéré and Dohoun Open Pits (2016) and one for the Kari Pump Open Pit (2019).

5.10.2 Environmental and Social Matters

Environmental and Social Setting

In the area of the Houndé Gold Mine deposits, rainfall is relatively high (annual average of 900mm) compared to other parts of Burkina Faso. The livelihoods of most people living in the

area based on based on agriculture and mining, including artisanal mining. Agriculture includes crop cultivation and livestock farming. The main crops produced are cereal (maize, millet and sorghum), oilseed (sesame, groundnut and cowpea) and cotton crops. The livestock includes goats, sheep, cattle and poultry. The local communities also have fruit trees (mango, orange, lemon, papaya, guava and banana) and use leaves, bark and wood of trees, such as shea and African locust bean trees.

The natural vegetation is shrub savanna, with some tree savanna, and increases in density in drainage lines. Natural habitats have been degraded by human activity, but there are patches of trees that are protected by local communities as sacred groves. Large mammals are rarely seen, but include buck, monkey and even elephant. Small mammals such as rats (Gambian and cane rats), burrowing squirrels and white-bellied hedgehogs are more common.

The terrain is undulating with flat-topped and rounded hills. The mine sites are in the Volta River watershed, in the lower Mouhoun sub-basin, and are drained by tributaries of the Tuy River (also called the "**Grand Bale**" River) and the Bougouriba River. Watercourses draining the mine sites flow only during the rainy season. In the dry season, groundwater is the main source of water supply and is accessed via boreholes and modern wells.

The houses in the vicinity of the mine sites are a mix of various traditional and modern styles. Waste management and sanitation infrastructure and services are generally lacking. Many houses do not have latrines. The main source of energy is firewood used for cooking.

The Houndé municipality comprises 16 settlements (Boho Kari, Bombi, Bouahoun, Bouende, Bouéré, Daboui, Dankari, Dohoun, Doufien Kari, Kiéré, Laho, Ponnonré, Sieni, Tiombomi, Touaho and Houndé). Most are small villages and Houndé is the urban centre.

Services and infrastructure are not well developed in the Houndé municipality. Several primary health facilities, called "*Centre de Santé et de Promotion Social*", provide basic preventive and curative care. Many of these facilities are dilapidated with inadequate supplies and medical technology. These facilities refer cases requiring further medical assistance to the Houndé medical centre, a district hospital called "*Centre Médical avec Antenne chirurgicale de Houndé*".

Malaria and respiratory illnesses are prevalent in the area. Dysentery, urinary tract infections, skin and eye ailments are among the more common illnesses. There are numerous primary schools in the Houndé municipality (about 46 schools, many near Houndé town), only four secondary schools and several vocational training centres for skills such as mechanics, metal construction, building, electrics and sewing. There are many adult literacy centres.

Approach to Environmental and Social Management

Several ESIAs have been undertaken for Houndé Gold Mine to input into decisions on applications for environmental approvals and the ESIAs are documented in ESIA reports. The ESIA for the Houndé Gold Mine and process plant was completed by Genivar (now WSP), a Canadian consultancy in 2014. The ESIAs for the other pits with environmental approvals were undertaken by Socrege, a Burkinabé consultancy over the period 2015 to 2021. Resettlement planning has been undertaken concurrently with the ESIA processes and is documented in RAPs.

The Houndé Gold Mine has an environmental management system that is being aligned with the ISO 14001:2015. Improvements underway include better tracking of compliance with obligations and improvements to water management. Monitoring of water dust, noise and waste management are undertaken routinely. For water quality, three different laboratories are used in rotation as part of the quality assurance/ quality control requirement. Internal environmental reviews have identified a need to establish more settlement ponds downstream

of infrastructure; improve liquid waste storage areas (impermeable floors); increase capacity for oil separation and storage; and signpost of topsoil storage areas.

Compliance with the International Cyanide Management Code was audited by Afritech in 2019. The audit found that there were significant improvements in response to the findings on an ICMC audit in 2017, with the main improvements being in worker safety and training. A gap still to be addressed relates to mine closure, specifically preparation of decommissioning plans for cyanide facilities. In addition, the cyanide levels at the point of tailings discharge to the TSF exceeded the Code's limit (of 50mg/l WADCN) on the TSF. Reportedly, the cyanide is rapidly destroyed by sunlight on the TSF and levels are significant reduced in the supernatant pond (to less than 5mg/l WADCN)

Stakeholder engagement has been ongoing for several years. There was extensive consultation with interested parties during ESIA, RAP and environmental approval processes. Engagement records are stored in a database and date back to 2013/2014. Community relations and grievances are reported monthly. The stakeholder engagement mapping and plans were updated in 2017. Community consultation committees have been established. There is a provincial-level monitoring and liaison committee comprising provincial and local authorities, religious leaders and community representatives. This has sub-committees covering compensation and resettlement, local procurement and local recruitment. The committees include vulnerable groups.

A functioning grievance mechanism is in place. Grievances generally pertain to land access, barriers to movement, damage to crops, local employment, local procurement, flooding of farmland and dust from trucks.

More than 95% of the Houndé Gold Mine workforce and one third of the senior management at the mine are nationals. More than 10% of the workforce is female, with two female members in the senior management team on site. The amount spent with Burkinabé suppliers by Houndé Gold Mine is 75% to 80% of the total budgeted procurement expenditure.

Houndé Gold Mine contributes to community development through both mandatory and voluntary initiatives. The recent Burkina Faso EITI report, dated February 2021 and for 2019, records that the mine contributed approximately US$1.4m to community development.

The mining local development fund is financed by both the state (20% of the collected proportional royalties) and exploitation permit holders (1% of turnover before tax) and is administered jointly by the Ministry of Mining and the Ministry of Finance. The funds are allocated to local community development by a steering committee comprising municipal and regional representatives and representatives of youth and women's associations.

Voluntary payments to community development included payments for cultural and sporting events, agricultural projects, development and rehabilitation of community water-supply infrastructure, school infrastructure and medical facilities. Recently, the mine funded a complete X-Ray unit to the Houndé medical centre (the district hospital).

Resettlement

Resettlement was required at Vindaloo, Bouéré and Kari Pump deposits as well as the Houndé CIL Plant and the TSF. With respect to Kari West, Kari Centre/Gap, Kari South and Dohoun are presently the subject of surveys which are ongoing or planned. The resettlement measures in the RAPs include rebuilding of houses in new locations, compensation for land and support with restoration of livelihoods.

To date a total of 457 households have been the subject of physical resettlement programmes and most of these and additional households are also under economic displacement

programmes. The physical resettlement covers relocation of houses, associated structures and village infrastructure. The economic resettlement includes replacement of several thousand hectares of farmland and over 100,000 trees of value to communities (fruit and multi-use trees).

Planning and implementation of each resettlement programme has been facilitated by a dedicated resettlement and compensation committee including representatives of provincial and local government, village chiefs, religious leaders, community elders and project-affected-persons including women and youth. Entitlement matrices, final compensation packages and assistance measures for vulnerable groups were agreed through the committee.

Construction of resettlement houses has been undertaken by local contractors. Financial training was provided to affected parties through Ecobank. Women were given 10% of compensation payments directly into personal bank accounts. Livelihood restoration activities includes income-generation through improved crop farming and market gardening (with fertilization, new types of crops and improved seeds) and/or other activities such as beekeeping, raising chickens and goats.

Audits will be undertaken to evaluate the success of the resettlement measures taken.

Other Issues – Illegal Mining

There are numerous unauthorised artisanal and small-scale mining sites on the exploration concessions and there is some encroachment on the exploitation licence areas.

Other Issues – Water Impacts

Water monitoring results do not indicate that operations are impacting on water quality. Some water on the mine site is unfit for discharge. This includes water from oil separators, the sewage plant and process water. Environmental cyanide concentrations are monitored and are below limit values. Arsenic has been found to be elevated water from a community borehole, near the Bouéré operation. This is being investigated and there is no evidence that this is caused by mining.

Improvements should be made to the presentation of monitoring data. The most recent monitoring report presents a very high-level overview of monitoring results and does not always separate data for sources and receptors.

Water management plans in the ESIA reports are generic. Internal audits recognise that improvements in water management are required on site, including stormwater management, erosion and sediment control, and impervious surfaces in areas where chemicals and hydrocarbons are handled and stored.

Limited test work indicates that the ARDML potential of the rock exposed by open pit mining and of placement on waste rock dumps and tailings storage facilities is low. The ARDML test work undertaken to date has been static; kinetic test work is yet to be undertaken. It includes 15 samples of waste rock and tailings tested by SGS Ghana in 2013 for the HGO deposits and seven samples for the BDGO deposits. In both 2019 and 2020 16 samples of waste rock and tailings were sent to SGS Ghana for testing. Reportedly, none of these were found to have acid generation potential. SRK has not seen detailed reports on this test work.

Further ARDML test work is needed to predict the potential long-term geochemical reactivity of material extracted by the mine and develop robust closure plans. Samples tested must represent the range of lithologies disturbed by mining.

Biodiversity Impact Management Plan

Presently there are no biodiversity impact management plans. The ESIA reports for the mines list species recorded in the area, but do not delineate habitats or locate populations of

conservation importance.

Cultural Heritage

The Kari permit area was found to be relatively rich in archaeological remains, with some evidence of occupation of the area dating back to the Middle Palaeolithic. Further study is needed to better characterize these remains and extract the information of value held within them.

Energy, Emissions and Water Usage Metrics

Table 5-40 presents a summary of the energy, emissions and water usage metrics at Houndé Gold Mine for the period 2017 through 2020.

Table 5-40: Houndé Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	813	3,948	4,144	4,228
Energy Consumption	(MWh)	163,212	366,443	378,444	448,710
	(kWh/t)	201	93	91	106
Water Consumption	(Ml)	1	6,171	6,019	2,191
	(Ml/t)	1	1,563	1,452	518
GHG Emissions	(tCO_2e)	42,128	116,295	105,005	129,399
	($kgCO_2e/t$)	51.8	29.5	25.3	30.6

5.10.3 Mine Closure

Houndé Gold Mine prepared a closure plan in 2019, however this did not cover the Bouéré and Dohoun deposits and related landform disturbance. The 2019 Houndé closure plan assumed that when mining ceases, pumping is stopped, allowing the pits to gradually fill with water. Additional studies are required to determine the exact conditions of the recharge rate and water quality before future beneficial uses can be defined (such as fish farming). The closure of the pits involves construction of a trench and revegetated berm (2.5m high) and installation of a fence with signposts to stop the community entering the area.

The WRDs and RoM pad will be revegetated but trials are required to identify suitable substrate and vegetation. The TSF is considered non-acid generating and non-metal leaching and as such, closure will involve allowing sufficient time for residual surface water to evaporate, also allowing any cyanide present to degrade on exposure to ultraviolet rays. It is recognised that a more complex cover or cap may be required if geochemistry studies indicate that there is a potential for ARDML seepage from the TSF. The closure plan states the water reservoir and dam will remain in place to serve the community. It does not state who will be responsible for the future use and conversely or perhaps precautionary, the cost estimate includes provision for draining, shaping and revegetating the land.

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$19.2m for Houndé Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$45.4m (Table 5-41) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence in 2027, four years prior to planned cessation of mining and processing operations, though it is noted that closure of the Bouéré pit and WRD will be undertaken in 2021 and will provide useful data with which to update the closure estimate and methodology. In accordance with the three main sub-divisions of expenditures the total LoMp closure costs comprise: pre-closure expenditures of US$15.1m; closure related expenditures of US$23.7m; and post closure monitoring expenditures of US$6.7m.

In addition to the mine closure costs as reflected in Table 5-41, the retrenchment costs are estimated at US$11.2m which provides for a total LoMp Environmental and Social Liability estimate of US$56.6m.

It is however important to note that the Group immediate closure as estimated as presented in Table 5-41 reflects the Groups current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that current reflected in the ARO estimate by the Group.

Furthermore, SRK understands that the amount currently accumulated in the escrow account for Houndé Gold Mine held by the Bank of Africa is estimated at US$5.8.

Table 5-41: Houndé Gold Mine Environmental and Social Liabilities

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	1,341	1,859
Waste dumps	5,659	9,610
TSF	3,374	14,653
RoM Pad & Stockpile	313	313
Leach pads	-	-
Explosive Magazine	100	100
Plant	359	3,461
Mobile maintenance workshop	545	545
Hydrocarbon	11	11
Road	418	418
Monitoring	5,324	5,324
Tailings Water Treatment	30	30
Buildings and Infrastructure	-	-
Indirect	-	-
Contingency	1,747	9,081
Total	**19,221**	**45,404**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

5.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to Houndé Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 5-42; Table 5-43). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances and, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR. The scenario presented is limited to depletion of the stated Ore Reserves as at 31 December 2020 and does not reflect the potential for continued operations assuming inclusion of Inferred Mineral Resources and potential expansion of the open pit at a higher short-term gold price.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 5.4 and Section 5.5 of this CPR which projects processing of a total of 46.3Mt grading 1.74g/tAu with weighted average recovery of 90.9% to produce 2.3Moz of gold.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold poured is determined at 2,348koz and inclusion of GIC and FG adjustments results in total sales of 2,347koz.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Houndé Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$1.94/$t_{mined}$ and US$12.19/$t_{milled}$ respectively;
- Site General and Administration annual operating expenditures assumed at US$23.4m in 2021, thereafter remaining relative constant for the LoMp period;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$7.4m and the LoMp weighted average unit rate per tonne milled is estimated at US$1.08/t;
- Commodity prices for primary consumables inclusive of base prices, transport costs and duties include: activated carbon (US$3,160/t); lime (U$$340/t); steel balls (US$1,160/t); caustic soda (US$1,000/t); cyanide (US$2,550/t); hydrochloric acid (32%) (US$470/t); and fuel delivered to site at (US$1.09/l);
- Royalties are determined in accordance with the sliding scale referenced in Section 5.2, other related third-party royalties and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 1.0% of the projected sales revenue determined on the basis of gold sales and the gold price assumptions as reported herein. As for the royalty determinations these are not included in the TEPs and are reported in Section 15 of this CPR;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.35/oz which includes the cost of transportation, refining and insurances; and

- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Burkina Faso which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures which largely reflects expenditures relating to TSF lifts necessary to support continued depletion of the Ore Reserves beyond 2023 and is estimated at US$49.4m;
- Sustaining capital expenditures total US$193.6m and includes mobile fleet replacement (US$63.8m), other asset replacement costs (US$61.5m), Houndé CIL Plant sustaining capital (US$67.1m) provisions estimated at US$1.45/$t_{milled}$ and other sustaining capital components (US$1.2m);
- Capitalised waste estimates as referenced above and amounting to a total of US$215.9m over the LoMp; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$56.6m.

Table 5-42: Houndé Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	409,974	43,380	48,347	52,391	54,846	54,439	57,305	49,931	41,173	8,161
Waste	(kt)	365,732	39,066	43,854	45,834	50,078	49,872	50,051	43,180	36,413	7,383
Ore	(kt)	44,242	4,314	4,493	6,557	4,768	4,567	7,254	6,751	4,759	778
	(g/tAu)	1.76	2.15	1.97	1.62	1.87	2.18	1.50	1.71	1.31	1.98
	(kozAu)	2,499	298	285	341	287	320	349	371	200	50
Stripping Ratio	(t_{waste}:t_{ore})	8.27	9.05	9.76	6.99	10.50	10.92	6.90	6.40	7.65	9.49
Ore Processed	(kt)	46,287	4,438	4,287	4,236	4,427	4,431	4,264	4,275	4,447	4,337
	(g/tAu)	1.74	2.02	2.02	2.01	1.95	2.01	2.03	1.93	1.83	1.09
	(kozAu)	2,584	289	278	274	278	287	279	265	262	152
Recovery	(%)	90.87	92.73	91.09	91.63	90.91	87.50	89.95	92.25	90.61	90.64
Production	(kozAu)	2,348	268	253	251	252	251	251	245	237	138
Poured	(kozAu)	2,348	268	253	251	252	251	251	245	237	138
Sales											
Gold	(kozAu)	2,347	268	253	251	252	251	251	245	237	138
Operating Expenditure											
Mining	(US$m)	(794.2)	(102.63)	(87.13)	(96.77)	(94.71)	(103.43)	(134.13)	(91.78)	(58.44)	(25.13)
Processing	(US$m)	(564.3)	(53.26)	(55.01)	(51.14)	(52.18)	(53.44)	(55.60)	(52.14)	(50.56)	(50.20)
SG&A	(US$m)	(243.9)	(23.39)	(22.59)	(22.32)	(23.33)	(23.35)	(22.47)	(22.53)	(23.44)	(22.86)
CG&A	(US$m)	(49.9)	(7.42)	(6.56)	(6.29)	(4.80)	(4.92)	(5.23)	(5.96)	(3.32)	(2.12)
Realisation	(US$m)	(7.9)	(0.90)	(0.85)	(0.84)	(0.85)	(0.84)	(0.84)	(0.82)	(0.79)	(0.46)
Capitalised Waste	(US$m)	215.9	24.23	27.02	36.65	27.82	36.96	34.64	22.19	6.37	-
Total	**(US$m)**	**(1,444.3)**	**(163.38)**	**(145.12)**	**(140.72)**	**(148.04)**	**(149.03)**	**(183.63)**	**(151.04)**	**(130.18)**	**(100.77)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(49.4)	(12.28)	-	(2.71)	(5.43)	(5.68)	(5.68)	(5.43)	(5.43)	(4.71)
Sustaining	(US$m)	(193.6)	(12.70)	(21.21)	(28.35)	(16.07)	(18.44)	(40.70)	(22.77)	(11.11)	(11.88)
Capitalised Waste	(US$m)	(215.9)	(24.23)	(27.02)	(36.65)	(27.82)	(36.96)	(34.64)	(22.19)	(6.37)	-
Environmental Closure	(US$m)	(56.6)	-	-	-	-	-	-	(1.20)	(1.20)	(1.68)
Total	**(US$m)**	**(515.4)**	**(49.21)**	**(48.23)**	**(67.72)**	**(49.31)**	**(61.08)**	**(81.02)**	**(51.59)**	**(24.11)**	**(18.27)**

Table 5-43: Houndé Gold Mine Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	4,088	3,057	-	-	-	-	-	-	-	-
	(g/tAu)	0.96	0.97	-	-	-	-	-	-	-	-
	(kozAu)	126	96	-	-	-	-	-	-	-	-
Recovery	(%)	92.39	90.44	-	-	-	-	-	-	-	-
Production	(kozAu)	116	86	-	-	-	-	-	-	-	-
Poured	(kozAu)	116	86	-	-	-	-	-	-	-	-
Sales											
Gold	(kozAu)	116	86	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	(53.41)	(37.33)	-	-	-	-	-	-	-	-
SG&A	(US$m)	(21.54)	(16.11)	-	-	-	-	-	-	-	-
CG&A	(US$m)	(2.32)	(0.96)	-	-	-	-	-	-	-	-
Realisation	(US$m)	(0.39)	(0.29)	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Total	**(US$m)**	**(77.66)**	**(54.69)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(2.00)	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(5.93)	(4.43)	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(1.66)	(20.54)	(23.65)	(1.33)	(1.33)	(1.33)	(1.33)	(1.33)	-	-
Total	**(US$m)**	**(9.59)**	**(24.98)**	**(23.65)**	**(1.33)**	**(1.33)**	**(1.33)**	**(1.33)**	**(1.33)**	**-**	**-**

5.12 Risks and Opportunities

The key **risks** relating to Houndé Gold Mine are:

- **Mining Geotechnics:**
  - The presence of weak saprolite material and an assumption of depressurised slopes is an ongoing risk with regards to open-pit slope stability management. It is apparent that a number of design outcomes do not necessarily align with the latest geotechnical report recommendations and further technical work is required to support the adjustments as incorporated into the current engineering designs. Accordingly, there remains a risk that should such additional work not support the adjustments then the stripping ratios as reported herein may be higher following re-design.
  - All slope designs assume depressurised slopes which is critical to ensure that the presently planned geotechnical design criteria can be achieved, especially given the combined impacts of thick intersections of weak saprolite material. The development of appropriately calibrated hydrogeological models to further assess and refine the extent of active/passive dewatering required to attain the assumed slope configuration;
- **Tailings Storage Facility (water management):** the supernatant pond was large and is not yet achieving operating design specifications resulting in a reduction in the deposited density of the tailing arisings. This appears to be a direct result of three main factors: higher than normal annual rainfall in 2018/2019; a 30% increase in plant throughput from 3Mtpa to 4.2Mtpa; high water usage when operating the Knelson concentrators which was undertaken as a 6-month trial and is no longer occurring. During 2021 a number of additional water management measures have been implemented specifically to ensure that operating design conditions are sustained in the wet season;
- **Tailings Storage Facility (storage capacity):** the current capacity is presently insufficient to meet the LoMp deposition requirements and a further 6.4Mt is required to be deposited. Furthermore, Houndé Gold Mine is currently considering a range of options to address this and in addition to alleviate certain of the water management issues. The options considered include installing additional lifts to cells 1 and 2, establishing a new cell 3 or construction of a new TSF at the Kari complex. Accordingly, there remains a risk that further capital expenditures beyond that currently assumed may be necessary which are estimated to be of the order of US$8.0m;
- **Hydrogeological Baseline (monitoring):** On the site there is a total of 18 vibrating wire piezometers with five of these located around the TSDF and mainly situated to the west of Vindaloo Main pit for the monitoring of four open pits plus associated infrastructure. Despite this there is little data available in terms on a hydrogeological baseline upon which to monitor potential impacts, particularly at a catchment scale. The site is located in a catchment with high baseline water scarcity stress and local community reliance on groundwater resources. Therefore, a robust groundwater baseline, as well as ongoing impact assessment against this baseline, is key to ensuring the sustainability of the operation;
- **Operating Expenditure:** Unit mining operating expenditures have increased since 2018 despite increases in total material mined. The current operating assumptions are lower than that noted in 2019 and 2020 and more aligned with that assumed in 2018. Total annual

mined production is planned to increase significantly, however the total hauled distance will also increase as the proportion of ore hauled from the Kari open pit areas (situated 10km distant) and ultimately Dohoun also increase. Accordingly, there remains a risk that future mining costs may be higher than presently assumed. With respect to mineral processing costs, the unit expenditures in 2020 was reported at US$14.11/$t_{milled}$ and whilst throughput in 2021 is marginally higher the LoMp assumes unit costs which are generally lower from 2021 through 2025 but generally aligned with that reported in 2019. Accordingly, there remains a risk that projected unit costs as forecasted in this period may be higher than presently planned. Furthermore, the Group has assumed certain efficiency improvements in respect of process plant performance and the potential impact of energy savings as a result of the solar energy project. These assumptions as incorporated into the LoMp reflect an overall saving in assumed unit costs of approximately 14%; and

- **Environmental and Social Liabilities:** The LoMp liabilities as reported herein comprise both direct mine closure related expenditures and retrenchment expenditures. The retrenchment estimates whilst not based on a detailed employee length of service demographic analysis, is based on recent experience in Burkina Faso and as such is considered to be a reasonable estimate for the future liability to be incurred on closure. The mine closure cost however is derived from inventory assessments and unit rate assumptions largely focused on landform remediation and in the absence of an appropriately detailed and engineering mine closure plan is considered to be at best a scoping level estimate. Accordingly there remains a risk that following completion of additional technical work which is presently planned in accordance with the newly established Group Standard for Mine Closure that the estimates as presented herein may change specifically when considering the potential impacts of ARDML and any requirements for active water treatment which are at present poorly informed given the level of technical studies completed to date. Furthermore, in respect of Environmental and Social Matters the key recommendations concluded are:
  - to establish a compliance obligations database for obligations in permits and agreements and track conformance with these systematically,
  - to upgrade monitoring programs to better understand impacts on land and water users and habitats around and downstream of the mine sites,
  - to ensures that archaeological and cultural heritage at the Kari sites is conserved,
  - to monitor the effectiveness of livelihood restoration programmes,
  - to develop a more detailed water management plan,
  - to conduct ARDML studies including kinetic testwork as planned,
  - to prepare mine closure plans and cost estimates aligned with the Group Mine Closure Standard as planned.

The key **opportunities** relating to Houndé Gold Mine are:

- **Geology and Mineral Resources (exploration potential):** certain of the geological models are not yet closed off by drilling either along strike or at depth. Potential extension for the latter however is largely limited given the current extent of the declared resources and the limiting impact of stripping ratios. This aside, a number of the deposits remain open along strike and are sufficiently shallow to consider potential for mining by open pit methods. The current LoMps are limited to Ore Reserves and as such completion of planned exploration drilling to target strike extensions may lead to increased Mineral Resources and potentially increased Ore Reserves, specifically at near mine targets in the Kari area, Dafra T3 and Vindaloo South; and

- **Life of Mine Plan extensions:** certain of the open pits whilst limited to Ore Reserves do mine a portion of Inferred Mineral Resources which are presently ascribed no revenue and effectively treated as waste. For Houndé Gold Mine the Inferred Mineral Resources reporting within the current pit designs is noted at 3.6Mt grading 1.34g/tAu and containing 155kozAu which if processed would extend mine life by approximately 9 months. Extension of the mine life beyond this based on current Mineral Resources would require an increased long-term gold price to approximately US$1,500/oz and in this instance a further 6.9Mt grading 1.50g/tAu for 0.3Moz could support continued operations for a further 1.5 years albeit at a higher stripping ratio than currently reported herein.

6 ITY GOLD MINE

6.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Company and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly.

The current Mineral Resource and Ore Reserve Statements as reported for Ity Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

6.2 Mineral Asset Background

Ity Gold Mine comprises numerous open pits and historical mining reclamation operations, a carbon-in-leach processing facility (the "**Ity CIL Plant**"), a single tailings storage facility (the "**Ity TSF**"), waste rock dumps and other supporting infrastructure. The current LoMp assumes mining from a total of ten mining locations comprising: Ity, Bakatouo, Daapleu, Le Plaque, Colline Sud, Zia, Gbeitouo and Walter open pits, Verse Ouest low grade dump, and former Aires (heap leach pads).

The current LoMp as reported herein is limited to depletion of Ore Reserves from 1 January 2021 through calendar 2030. Total material mined is planned to peak at 26.0Mt for a 6 year period from 2024 and ore processing is planned to increase from 5.3Mtpa to 5.6Mtpa by 2023 which is maintained at this rate for the duration to process a total of 53.9Mt grading 1.58g/tAu and total gold production of 2.3Moz attained at a weighted average metallurgical recovery of 84.6%. Annual gold production remains range bound between 240koz and 260koz and weighted average AISC for the LoMp is estimated at US$868/ozAu. Total capital expenditure comprising growth (including non-sustaining) and sustaining capital is estimated at US$281.1m with mine closure costs (inclusive of retrenchment) estimated at US$42.2m. The current mining operations are owner operated, however in 2021 Ity Gold Mine has embarked on conversion to contract mining operations which is scheduled to be complete by mid-2021.

Location, Access and Infrastructure

Ity Gold Mine is located at latitude 06°52'28" north and longitude 08°06'39" west in Côte d'Ivoire, West Africa. Côte d'Ivoire is situated at the extreme west of the Gulf of Guinea and is bordered by Ghana in the east, Mali and Burkina Faso in the north and Guinea and Republic of Liberia ("**Liberia**") in the west. The Ity Gold Mine is located in western Côte d'Ivoire, 480km from the

economic capital of Abidjan, near the border with Liberia and Guinea.

Côte d'Ivoire is a relatively decentralised state and the country is divided into 14 districts, of which two are cities organised as autonomous districts and the remaining 12 non-autonomous districts are subdivided into 31 second-level regions. The autonomous districts and the regions are divided into 108 third-level departments or prefectures and the departments are divided into 510 fourth-level sub-prefectures. Sub-prefectures contain villages, and in some instances, several villages are combined into fifth-level communes of which there are 197 communes. The Ity Gold Mine is located within the Tonkpi region of the Dix-Huit Montagnes non-autonomous district; and the Cavally Region of the Moyen-Cavally non-autonomous district. The Ity Gold Mine is located in the Zouan-Hounien department of the Tonkpi region.

The project site is accessible via a modern dual lane (230km) paved toll road from Abidjan, passing through the capital Yamoussoukro, Daloa and Duekoué. From Duekoué, two roads access the project from both north and south. The north access is through Man and then on to Danané and Zouan–Hounien where a 15km unsealed road maintained by Ity Gold Mine leads to the village of Ouyatouo. Southern access is through Guiglo and Toulepleu. While considerable expenditure is occurring within Côte d'Ivoire on particularly road and rail infrastructure, road conditions vary from good between Abidjan and Yamoussoukro, with a progressive deterioration most notably close to site.

Abidjan International Airport, also known as Port Bouët or Félix Houphouët-Boigny Airport, receives daily international flights from other African countries, as well as flights to and from Europe and the Middle East through Dubai. Multiple airlines are located at the Abidjan Airport including Air France, Emirates and Ethiopian Airlines. Endeavour operates a charter flight service from Abidjan directly to site where an all-weather compacted laterite air strip has been constructed adjacent to the tailings storage facility. Flights take just over one hour using a Pilatus PC12, 8 seat aircraft, with the service operating 5 to 6 days per week, or on demand if required.

La Société des Energies de Côte d'Ivoire ("**CI-ENERGIES**") own the National Interconnected Power Transmission System in Côte d'Ivoire, and Compagnie Ivoiriennne d'Electricite ("**CIE**") manages the electricity generation and transmission network for the Government of Côte d'Ivoire ("**GoCI**"). Power for the CIL project is supplied via the installation of a 90kV 58km Overhead Power Line ("**OHPL**") from Danané Substation to site.

Physiography and Climate

Côte d'Ivoire and the regions of Cavally and Tonkpi in particular, are subject to an equatorial type transition climate. This climate is characterised by abundant rainfall averaging approximately 1,500mm to 2,400mm annually, with relatively high humidity (annual average of 85%). The temperature is fairly constant throughout the year, at an average of 25°C, with an average high and low range of +/- 5°C of this. The duration of sunshine varies on average between 1,500hr and 2,000hr per year. The climate is influenced by wet West African Monsoon winds and dry Harmattan winds, which blow from the south-west and north-east respectively. Rainfall occurs throughout the year, often in the form of thunderstorms which peaks in August and September. December to February are the driest months of the year.

Operations are carried out year-round, however exploration drilling programmes and projects such as Tailings Dam lifts are co-ordinated to commence in November and conclude by April to May at the latest. The Cavally River is a major feature adjacent to the mine, with many low-lying parts of the lease becoming submerged during the wet season, requiring small river diversions and the construction of protective bunds around the Bakatouo, Walter and Daapleu pits in particular.

Figure 6-1: Ity Gold Mine location map



Ownership, Mineral, Mining and Exploration Rights

The Group manages its equity interest in Ity Gold Mine via a wholly owned subsidiary "**Ity Holdings**" incorporated in the Cayman Islands. Ity Holdings interests in Ity Gold Mine are held through three subsidiary companies incorporated in Côte d'Ivoire: an 85% interest in Société des Mines d'Ity S.A ("**SMI**"); an 85% interest in Société des Mines de Daapleu S.A. ("**SMD**"); and a 90% interest Société des Mines de Floleu S.A. ("**SMF**").

The remaining equity interests in SMI and SMD are held as follows: 5% by SODEMI, the state-owned mining company; and 10% by the GoCDI. The remaining 10% equity interest in SMF is held by the GoCDI. Pursuant to its mining convention with the GoCDI, the Group is required to pay a royalty based on a sliding scale in accordance with the prevailing gold price: 3.00% to US$1,000/ozAu; 3.5% from US$1,000/ozAu to US$1,300/ozAu; 4.0% from 1,300/ozAu to US$1,600/ozAu; and 5.0% above US$1,600/oz.

Ity Gold Mine comprises three primary exploitation licences ("**ELs"**) as outlined in Table 6-1 which extends over a total area of 87.7km^2 all of which are reported to be active, current and in good standing.

The PE-026 permit (the "**SMI Licence**") with an area of 25.0km^2 was initially granted on 14 October 1989 as Decision No 197/Mines/DM and was valid for four years. It was renewed 1993, 1997, 2005, 2007 and 2013. The licence has been renewed consecutively with the current exploitation licence 8-002/MIM/DGMG granted on 28 August 2014, valid until 14 November 2023 and renewable for consecutive 10- year periods. The mining convention that corresponds with PE 26 was signed on 19 December 2014 by SMI and State representatives (Ministers for Mining, Budget and Finance) and is effective from 1 January 2014 for 12 years. The Ity CIL Plant is located on the SMI Licence which also contains the Mont Ity/Flat, Walter, Bakatouo, Colline Sud and Zia NE pits, Verse Ouest-Teckraie dumps, Aires leach pads (decommissioned heap-leach pads) and the Ity CIL Plant.

The PE-049 permit (the "**SMD Licence**") with an area of 13.2km^2 was initially issued to La Mancha Côte d'Ivoire SARL ("**LMCI**"), a wholly owned exploration subsidiary of the Company in April 2018 and then transferred to SMD on 10 September 2018 in Decision Notice

0126/MMG/DGMG which expires on 10 April 2032 and renewable for consecutive 10-year periods. The mining convention that corresponds with PE 49 was signed on 18 November 2019 by SMD and Ministers for Mining, Budget and Finance. It is effective from 1 January 2019 for 12 years. The SMD Licence contains the Gbeitouo and Daapleu deposits.

The PE-053 permit (the "**SMF Licence**") with an area of 49.5km^2 was initially issued on 5 August 2020 to LMCI and subsequently transferred to SMF in October 2020 and expires on 5 August 2027 and is renewable for consecutive 10-year periods. The SMF Licence contains the Le Plaque deposit.

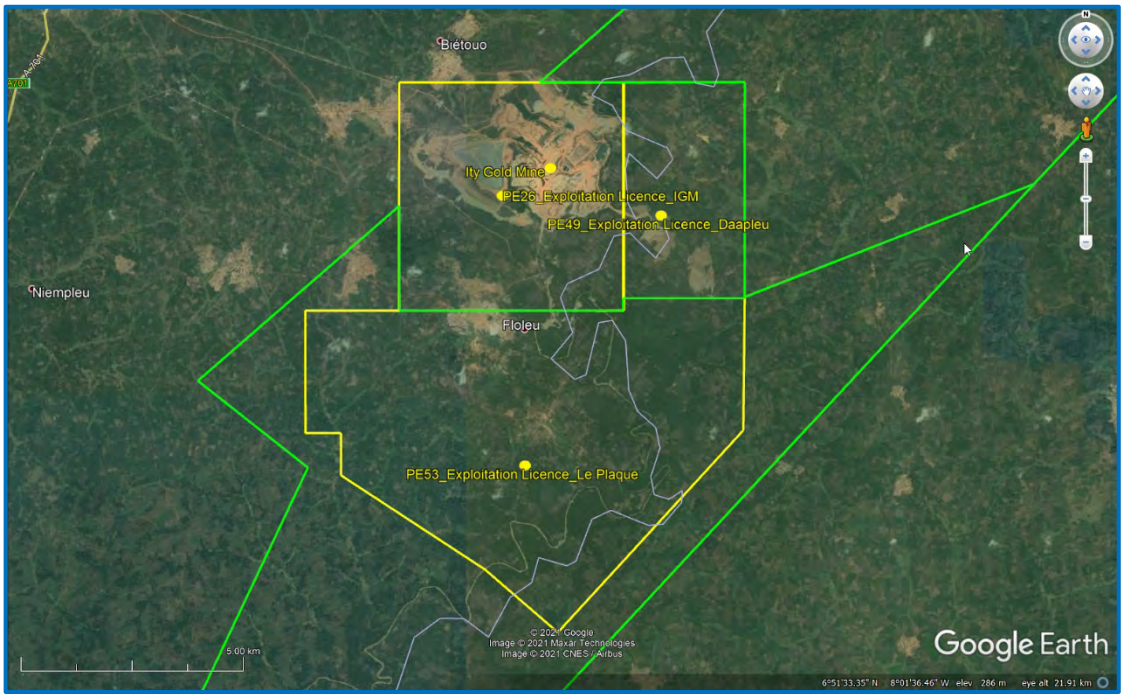
Corresponding with each exploitation permit is a mining convention, which is an agreement between the holding company and State representatives (Ministers for Mining, Budget and Finance). The conventions require the holding companies to:

- Observe good governance principles, including the Equator Principles;
- Submit EITI reports to the GoCI;
- Preferentially procure services from Ivorian firms, preferentially employ Ivorians and implement training programmes that facilitate this;
- Contribute to a national fund for training of mining professionals;
- Establish a plan for community development in consultation with local communities;
- Contribute to a community development fund annually, the contributions should be based on 0.5% of the turnover from the previous year;
- Allow public use of roads created for the operations outside of exploitation permit areas;
- Repair any roads that deteriorate as a result of operations;
- Comply with health and safety and environmental legislation; and
- Execute the approved closure plan and make financial provision for closure as agreed.

Table 6-1: Ity Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Société des Mines d'Ity S.A.	SMI	PE-026	85.00	25.0	14/11/2023	2.9
Société des Mines de Daapleu S.A.	SMD	PE-049	85.00	13.2	10/04/2032	11.3
Société des Mines de Floleu S.A.	SMF	PE-053	90.00	49.5	05/08/2027	6.6

Figure 6-2: Ity Gold Mine mineral tenure map



Historical Development

Copper and gold were first discovered near the village of Ity in the 1950's during regional exploration by the Bureau de Recherches Géologique et Minière de la France d'Outre-Mer ("**BRGM**"). Initial attempts to recover gold were unsuccessful due to the fineness and the rheology of the ore. In 1983, SMI was incorporated to develop the Flotouo deposit which poured its first gold in 1991. Substantial exploration was done in the 1990s and many of the deposits were discovered or expanded at the time. Since then ownership has changed several times until the La Mancha Group ("**LM Group**") acquired a stake in SMI in 2012. In 2014, a change in shareholders was authorized by the GoCI leading to the majority ownership being held by the LM Group. In late 2015, the Company acquired LM Group's interest in SMI (55%) and LMCI (100%). During 2017 and 2018 the Company acquired an additional aggregate 30% of SMI such that it now holds an 85% interest in SMI. Similarly, the Company holds an 85% interest in SMD and a 90% interest in SMF.

In 2014, a scoping study to replace the heap leach plant with a greenfields CIL plant was completed using a processing rate of 1.5Mtpa based on Indicated Mineral Resources. Following the positive results of this study, in late 2014 and early 2015 LM Group conducted drilling programs at the Daapleu, Zia NE, Bakatouo and Mont Ity deposits designed to upgrade inferred material from the latest resource estimate to an indicated resource, as well as to delineate each deposit further along strike. The resulting resource estimate yielded a significant increase in Indicated Mineral Resources for all three areas. The updated Mineral Resources and Ore Reserves lead to a pre-feasibility study of the "**CIL Project**" completed in July 2015 using a processing rate of 2.0Mtpa.

Following the results of the pre-feasibility study and the Company's acquisition of the LM Group's interest in SMI for a total consideration of US$33.8m, the Company engaged Lycopodium Minerals to undertake a feasibility study. The Ity Gold Mine CIL feasibility study (the "**Ity Gold Mine CIL FS"**) was completed in October 2016 on the basis of a 3.0Mtpa. Following publication of this study, an optimization study (the "**Ity Gold Mine OS**") was completed in September 2017 which improved the project economics of due to the inclusion of

additional Ore Reserves and further upsizing the processing capacity from 3.0Mtpa to 4.0Mtper year.

The first gold pour from the Ity Gold Mine CIL project took place on 18 March 2019, ahead of schedule and under-budget. Following performance tests, the Company launched optimization and debottlenecking upgrades to increase the plant throughput by 1.0Mtpa to 5.0Mtpa, which were completed before the end of 2019.

Historical processing commenced in 1990 as a heap leach operation stacking an average of 148ktpa for the first three years and ramping up to a more than 321ktpa by 1994. As of 31 December 2020, Ity Gold Mine reported historical gold production of 1.8Moz through processing of 22.9Mt grading 3.15g/tAu with weighted average metallurgical recovery of 77.7%.

Table 6-2: Ity Gold Mine historical processing and production

Period	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Recovery (%)	Production (kozAu)
1991-1995	1,137	9.42	344	53.5	184
1996-2000	1,664	6.40	342	68.5	235
2001-2005	1,615	4.46	232	84.1	195
2006-2010	2,210	3.79	269	83.9	226
2011-2015	3,506	3.34	376	89.0	335
2016	1,173	2.20	83	91.4	76
2017	1,194	1.85	71	83.1	59
2018	1,307	2.49	105	81.1	85
2019	3,693	1.88	223	86.5	193
2020	5,353	1.57	270	78.8	213
Total	**22,852**	**3.15**	**2,315**	**77.7**	**1,800**

Historical Operating Performance

Table 6-3 presents a summary of the technical and economic performance for Ity Gold Mine reflecting all revenue and expenditures incurred following acquisition by the Company and for 2015 through 2020. Performance from 2015 through 2018 reflected only HL performance with the contribution of CIL processing commencing in March 2019. 2020 comprised of CIL operations solely.

Since 2015 Ity Gold Mine has mined total ore of 18.4Mt at a grade of 1.52g/tAu with an accompanying stripping ratio of 2.0t_{waste}:t_{ore}. Processing (HL+CIL) operations reported 12.8Mt grading 1.84g/tAu to produce 631koz of gold indicating an overall recovery of 83.3% to enable sales of 622koz at an overall AISC of US$741/oz. Total capital expenditures (excluding working capital) are reported at US$607.1m with the construction of the Ity Gold Mine CIL Project accounting for US$331.5m in 2018. In summary, Ity Gold Mine has significantly increased its production capacity with the cessation of the HL and commissioning of the Ity CIL Plant. Total operating profit and total pre-tax pre-finance cashflows since acquisition reports US$474.4m and negative US$156.7m respectively.

For the 12-month period ending 31 December 2020 Ity Gold Mine processed 5.35Mt grading 1.57g/tAu with a recovery of 78.8% resulting in record gold production of 213koz. Total sales in 2020 reported 208kozAu with accompanying AISC of US$808/oz. Financial performance statistics for 2020 indicate operating profit of US$202.4m and post-tax pre-finance cashflows of US$161.9m.

Table 6-4 presents a summary of historical performance and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 230kozAu to 250kozAu; AISC US$800/oz to US$850/oz; and total capital expenditure of US$64.0m (non-sustaining capital expenditure of US$27.0m; sustaining capital expenditure of US$28.0m; and exploration expenditure of US$9.0m).

Table 6-3: Ity Gold Mine Historical Performance[(1)]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	2.0	2.2	1.2	1.3	1.4	1.7	1.6
Mined	(Mt)	54.99	0.69	6.10	6.65	4.03	14.05	23.47

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Waste	(Mt)	36.58	0.31	4.92	5.24	2.90	8.32	14.90
Ore	(Mt)	18.40	0.38	1.19	1.41	1.13	5.73	8.57
	(g/tAu)	1.52	2.10	2.10	1.77	2.61	1.46	1.28
	(kozAu)	901	25	80	80	95	269	352
Processing	(Mt)	12.79	0.07	1.17	1.19	1.31	3.69	5.35
	(g/tAu)	1.84	2.39	2.2	1.85	2.49	1.88	1.57
	(kozAu)	757	5	83	71	105	223	270
Recovery	(%)	83.3	104.3	91.4	83.1	81.1	86.5	78.8
Production	(kozAu)	631	6	76	59	85	193	213
Sold	(kozAu)	622	8	73	60	85	188	208
Financial								
Revenue								
Gold Price	(US$/oz)	1,469	1,061	1,250	1,258	1,262	1,424	1,749
Revenue	(US$m)	914.1	8.4	91.7	75.1	107.5	267.5	363.9
Operating Expenditure								
Mining	(US$m)	(191.1)	(0.9)	(18.1)	(21.3)	(25.7)	(45.8)	(79.4)
Processing	(US$m)	(170.4)	(1.7)	(17.3)	(17.8)	(19.6)	(46.0)	(68.1)
Site G&A	(US$m)	(67.8)	(1.2)	(13.4)	(11.2)	(10.4)	(14.7)	(16.9)
Regional G&A	(US$m)	(20.7)	-	(2.1)	(2.6)	(1.8)	(6.4)	(7.9)
Refining, Transport, By-product	(US$m)	5.3	-	0.7	0.8	(1.0)	1.0	3.8
Royalty + SDF	(US$m)	(40.2)	0.5	(3.3)	(2.9)	(4.2)	(10.5)	(19.8)
Capitalised Waste	(US$m)	20.0	-	3.7	3.2	-	0.4	12.7
Inventory Movement (cash)	(US$m)	22.7	0.6	1.5	6.8	3.1	(0.7)	11.4
Inventory Movement (non-cash)	(US$m)	2.7						2.7
Total	**(US$m)**	**(439.7)**	**(2.6)**	**(48.3)**	**(45.0)**	**(59.6)**	**(122.7)**	**(161.5)**
Operating Profit	**(US$m)**	**474.4**	**5.8**	**43.4**	**30.1**	**47.9**	**144.8**	**202.4**
Capital Expenditure								
Growth & Exploration	(US$m)	(537.6)	(37.3)	(13.5)	(83.2)	(331.5)	(70.0)	(2.1)
Sustaining	(US$m)	(27.0)	(0.5)	(7.6)	(7.4)	(2.1)	(0.5)	(8.9)
Non-Sustaining	(US$m)	(42.5)	-	-	(3.7)	-	(1.4)	(37.4)
Working Capital Movement	(US$m)	(24.0)	(0.2)	1.0	(7.1)	6.6	(32.2)	7.9
Total	**(US$m)**	**(631.1)**	**(38.0)**	**(20.1)**	**(101.4)**	**(327.0)**	**(104.1)**	**(40.5)**
Pre-tax post-finance cashflows	**(US$m)**	**(156.7)**	**(32.2)**	**23.3**	**(71.3)**	**(279.1)**	**40.7**	**161.9**
Unit Rates								
Mining	(US$/$t_{mined}$)	3.48	1.30	2.97	3.20	6.37	3.26	3.38
Processing	(US$/$t_{proc}$)	13.32	23.24	14.75	14.91	15.00	12.45	12.72
Site G&A	(US$/$t_{proc}$)	5.30	16.90	11.42	9.38	7.96	3.98	3.16
Regional G&A	(US$/$t_{proc}$)	1.62	-	1.76	2.18	1.38	1.73	1.47
Direct Site Costs	(US$/$t_{proc}$)	33.57	52.68	41.60	42.13	42.59	28.82	30.72
Refining, Transport, By-product	(US$/oz)	(8.5)	-	(9.2)	(14.1)	11.7	(5.1)	(18.4)
Royalty + SDF	(%)	4.4	(6.4)	3.6	3.9	3.9	3.9	5.5
AOC	(US$/oz)	668	550	606	733	695	557	765
AISC	**(US$/oz)**	**740**	**683**	**756**	**906**	**719**	**616**	**808**
AIC	(US$/oz)	1,723	5,179	967	2,447	4,651	1,032	1,076
Total Costs	(US$/oz)	1,723	5,179	967	2,447	4,651	1,032	1,076

(1) All information sourced from public domain reporting data.

Table 6-4: Ity Gold Mine: historical and current guidance(1)

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	65-75	75-80	60-65	160-200	235-255	230-250
AISC(1)	(kozAu)	800-850	740-780	790-850	525-590	630-675	800-850
Growth	(US$m)	-	10.00	180.00	55.00	-	-
Sustaining	(US$m)	-	10.00	2.00	1.00	4.00	28.00
Non-Sustaining	(US$m)	-	4.00	-	2.00	26.00	27.00
Exploration	**(US$m)**	**-**	**10.00**	**8.55**	**-**	**14.00**	**9.00**

(1) AISC estimate reflect the Company's reporting policy at the time of reporting.

6.3 Geology and Mineral Resources

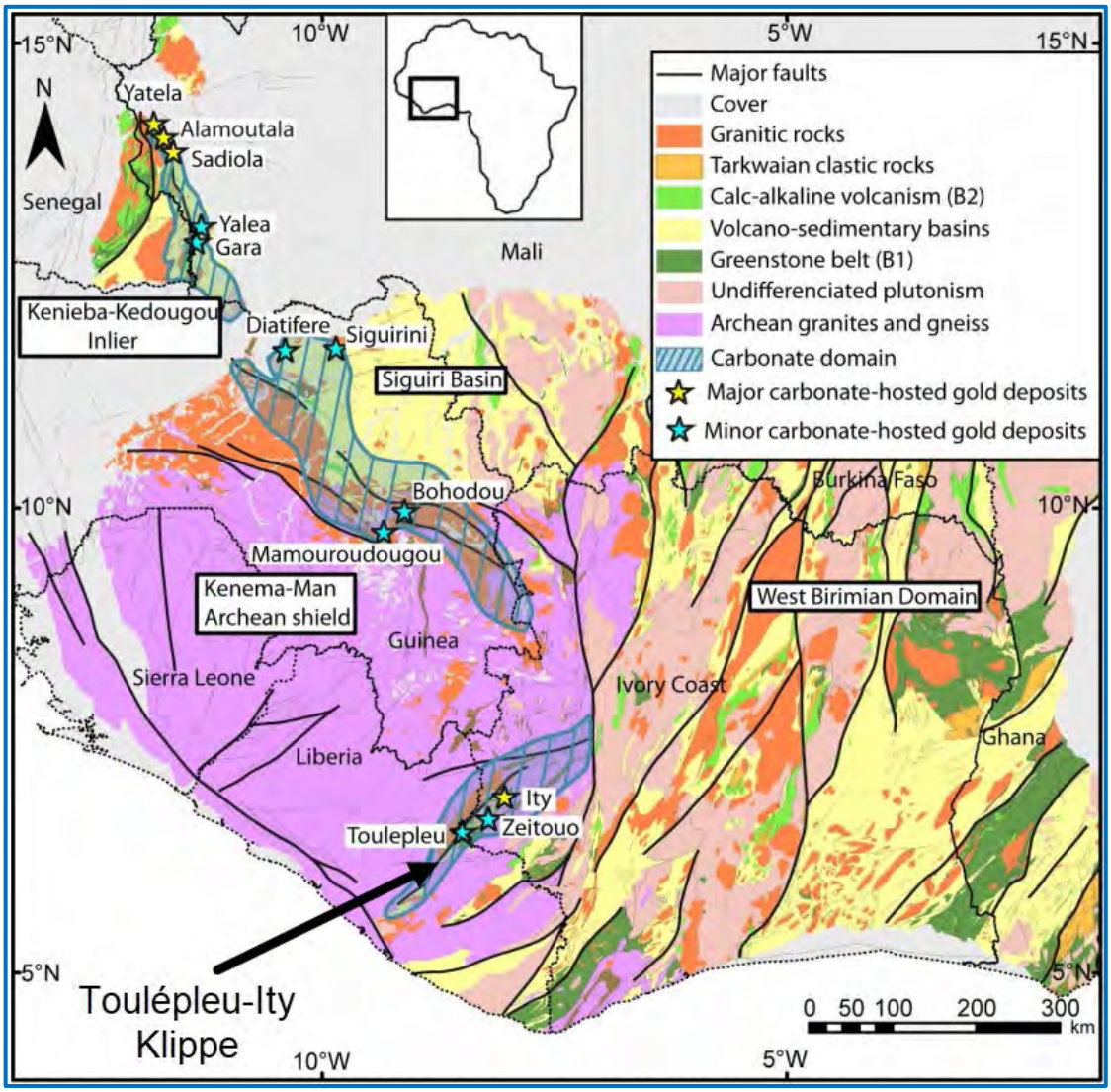
6.3.1 Regional and Deposit Geology

The deposits at Ity Gold Mine are located in the Lower Proterozoic Birimian Formation of the Toulépleu-Ity klippe (Figure 6-3). The Toulépleu-Ity klippe is a small remnant of Birimian within the older Archean portion of the West African Craton. The geological environment at Ity Gold Mine is characterized by a series of granodioritic intrusions into a sedimentary sequence of volcano-sediments and carbonates with a general northeast-southwest strike. The volcanic rocks are generally tuffaceous with chemistry that ranges from basic to acidic. All formations have been subjected to regional metamorphism.

The deposits at Ity Gold Mine are classified as skarn or typical shear-hosted greenstone deposits. The skarns developed at the contacts of a central northeast trending lensoidal shaped body of granodiorite intrusives, with the carbonate units on both northwest and southeast contacts. The Ity, Ity Flat, Tontouo and Walter (Figure 6-4) deposits are hosted along the southeastern contact, whilst Flotouo, Zia and Zia NE are hosted along the northwestern contact. The Bakatouo deposit is interpreted as being hosted by the northeast continuation of the carbonate units, whilst the Colline Sud skarn deposit represents the southwest continuation. The skarns are characterized by epidote, carbonate, diopside, chlorite, tremolite, magnetite and

garnet with gold associated with pyrite and chalcopyrite. The Teckraie and Verse Ouest deposits are rock dumps of the now depleted Flotouo (skarn) open pit. Aires consists of the decommissioned heap leach pads from the historic operation of the mine.

Figure 6-3: West African geological map

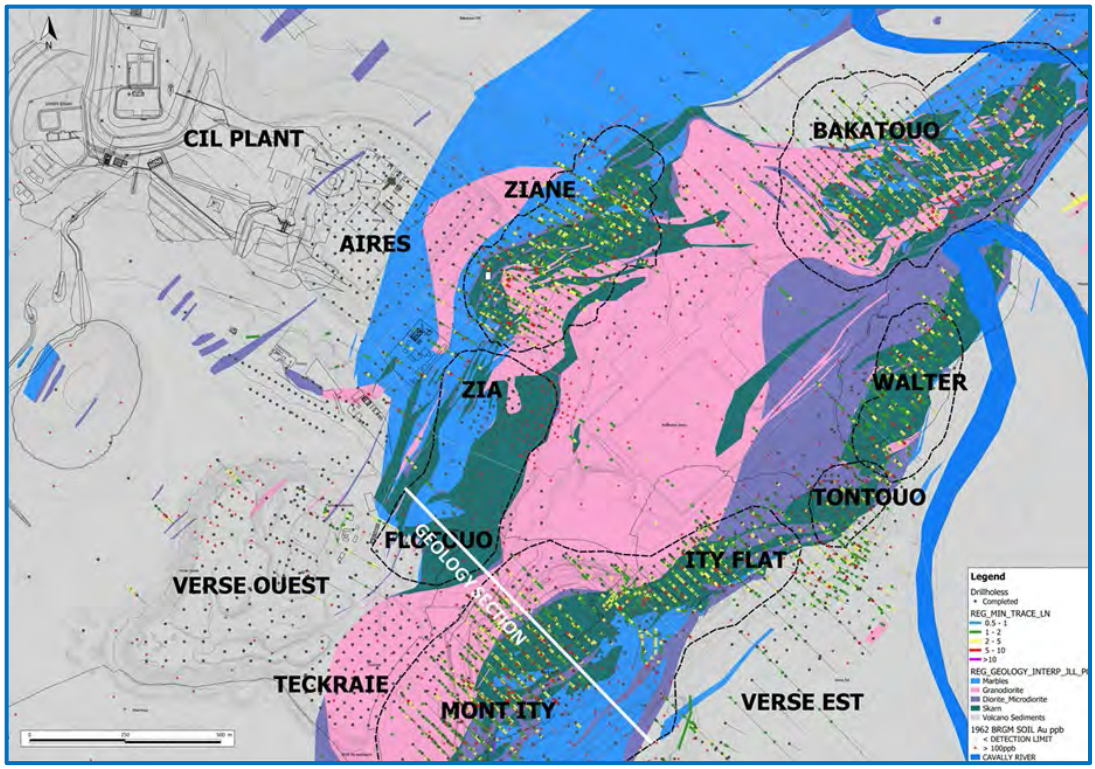


The deposits of Daapleu and Gbeitouo share many characteristics with typical shear zone deposits known in the Birimian greenstone belts of West Africa. The deposits are associated with a major regional, northeast trending shear zone but are developed on secondary structures. The Daapleu deposit is characterized by the presence of a 'rhyolitic' intrusive surrounded by a package of volcano-sediments. The 'rhyolite' is locally called 'daaplite'. The 'daaplite' is strongly altered and sheared and, at the contact, both lithologies have been affected by phyllic style hydrothermal alteration (sericite-silica-pyrite). Gold mineralisation is mesothermal and occurs as fine-grained free gold within foliation and silicified strips, associated with arsenopyrite and to a lesser extent with pyrite and silver-copper-antimony sulfosalts. The Gbeitouo deposit is hosted within volcano-sediments with variable intensity silica-sericite-pyrite alteration. Minor pyrrhotite, galena and sphalerite have been noted in association with auriferous pyrite in proximal mineralised shears.

Le Plaque was discovered in 2017 and is a shear hosted deposit located mainly at the contact between granodiorite and diorite intrusions, where country rocks have been affected by skarn

alteration forming exoskarn and endoskarn, although this event appears not associated with gold. The geology of Le Plaque consists of a granodiorite batholith intruded into a sequence of Birimian meta-volcano-sediments, dominantly meta-sediments (impure marbles, meta-siltstones and sandstones) to the west, and a belt of mafic metavolcanics to the east. Several generations of diorite and microdiorite bodies of variable thickness occur within the meta-sediments as sheeted sills and dykes, including some which are cutting through or bordering the granodiorite. The mineralisation in Le Plaque is broadly associated with few meters-thick ductile and brittle ductile shears with quartz veining, silica-sericite alteration and locally massive sulfidic seams (pyrite, with subordinate sphalerite, minor chalcopyrite and local traces of galena and pyrrhotite). There is no visible gold in core, even within the highest-grade intercepts, and almost no arsenopyrite. The presence of sphalerite, strong silicification and quartz veining usually correlates very well with the best grades. The anastomosed shearing network is usually well developed in the outer shell of the granodiorite, within the granodiorite and diorite units, and to a lesser extent within the skarn host rocks themselves.

Figure 6-4: Ity Gold Mine sub-surface geology



6.3.2 Exploration Activity

At Ity, regional scale geochemical stream sediment sampling and soil sampling programs and airborne geophysics (magnetics) were completed by BRGM, the French geological survey institute, in several phases from the 1930s up to the 1990s. The geochemical surveys highlighted several anomalies in the project area, the strongest being the Ity deposit. Follow up geochemical surveys and shallow drill results were successful in delineating the Ity mineralisation, and mining for a heap leach operation commenced in 1991. In 1999 the BRGM completed further ground-based exploration in the wider PE26 and PR609 permit areas including Induced Polarization and ground magnetic geophysical surveys, infill soils and pitting, and drilling of reconnaissance core holes.

Little information is available between 2002 and 2011 with data and maps being lost during three periods of civil conflict; during which time, mining operations and exploration activities

were sporadic. La Mancha's evaluation of Ity began in 2012 following the change in ownership and management. Exploration since then has been carried out under the supervision of technically qualified personnel applying standard industry approaches.

Recent exploration generally follows a systematic approach depending on the available information of each target area or deposit. Due to the success of the previous geochemical sampling programs in highlighting surface mineralisation at the Ity and Daapleu deposits, a large soil sampling program encompassing large portions of PR609 was completed in 2013. To assist with the interpretation of the soil results, the data from the 1979 airborne magnetic survey, the 1999 IP survey and 1999 ground magnetic survey were re-processed by SAGAX Afrique SA using modern processing methodologies. The combination of results led to core drilling which identified transported alluvial cover from the Cavally River in some of the target areas. The observation helped explain why some of the previous shallow geochemical anomalies did not persist in the bedrock, but also flagged a lowering confidence in the results of the soil program.

To provide clarity, the exploration program was adapted in 2015 to enable grid-based bedrock sampling auger drill programs across large tracts of lithological and structurally favourable ground trending northeast-southwest from Ity and Daapleu deposits. The programs identified several anomalies and large-scale auger programs in 2016 and 2017 identified numerous anomalous values along strike to the northeast and southwest of the Ity deposit. Follow up RC and DD drill programs confirmed some of the anomalies at depth, whilst others resulted in minimal sub-surface support. To help delineate between anomalies with deep seated roots against those resulting from surficial enrichment processes, the drilling type for the 2018 auger program was changed to AC with holes drilled at minus 50° declination.

Further ground IP geophysical surveys to track out mineralised shear structures on a prospect scale, in conjunction with recently completed regional scale airborne VTEM geophysical survey were used in the interpretation of the auger and Air Core results. The 2017 exploration program totalling 58,500m of drilling focused on increasing the resource base at the Bakatouo, Ity, Daapleu and Verse Ouest deposits and at the recent Le Plaque discovery.

In light of positive 2017 results, a further exploration campaign was planned for near-mill targets (including testing of extensions at the Mont Ity, Bakatouo, Daapleu and Le Plaque deposits) with the aim of delineating additional resources for the planned Ity Gold Mine CIL Project. In 2018 the exploration program amounted to 49,600m of drilling, focused mainly on the Le Plaque area and Daapleu deposit.

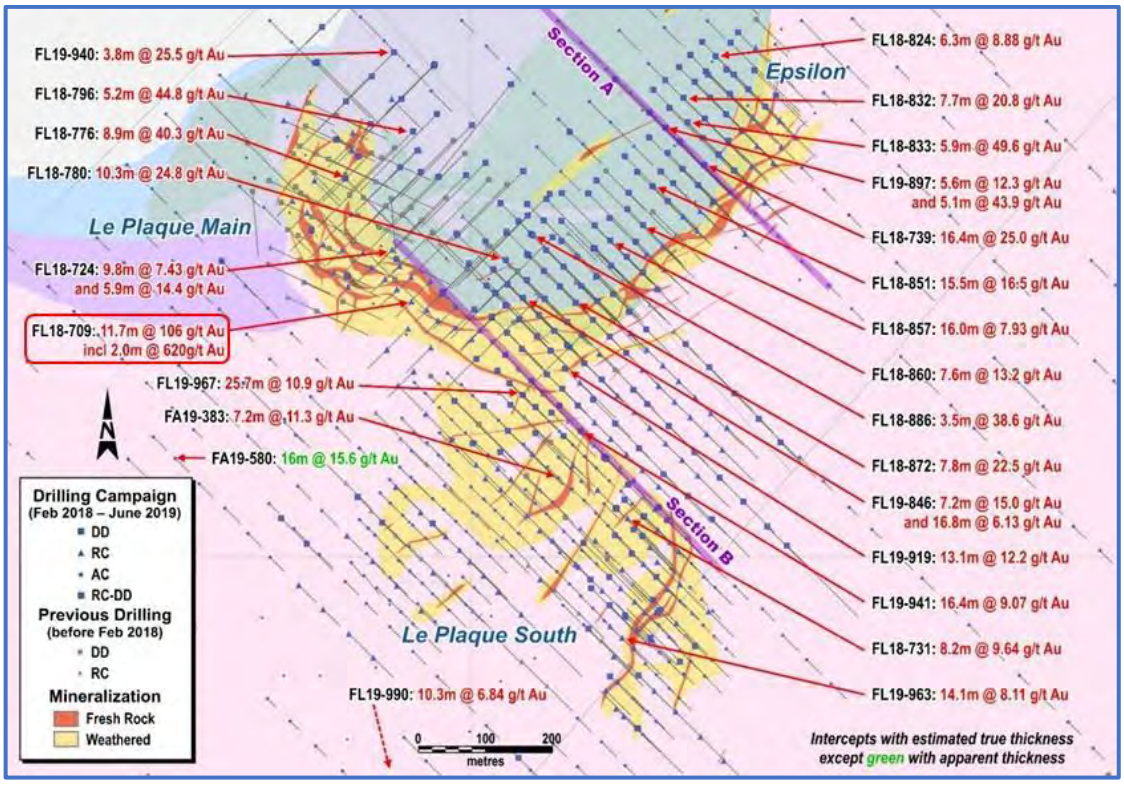
The validation of a high-grade at depth plunge at the Daapleu deposit was confirmed, and mineralisation below the existing heap leach pad has been encountering suggesting a possible extension of the Bakatouo deposit. In 2019 exploration efforts were focused on the Le Plaque target, with a total of 83,436m of drilling completed. Further potential extensions were identified in H2-2020 by a combination of Air-Core and follow-up core and RC drilling, notably toward the south in the Delta Extension.

In 2020, exploration continued on the Le Plaque area to further increase Mineral Resources, and on Ity near-mine targets, including under the leach pad (Heap 2), Verse Ouest and Daapleu SW. A total of 97,000 meters were drilled. Table 6-5 presents a summary of the drilling conducted by deposit and split between resource development and grade control drilling which includes a total of 2,977 drillholes for a total drilled meterage of 304km. The drillhole database comprises diamond drillholes, reverse circulation, air core and RC-DD holes representing 52%, 27%, 15% and 5% respectively of the total database.

Table 6-5: Ity Gold Mine: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
Mont Ity/Flat/Walter	87	8,748	Variable (25m by 25m)	73	27		
Zia NE	263	27,147	Variable (25m by 25m)	6	87	7	
Verse Ouest - Teckraie	209	7,831		36	8	56	
Daapleu	327	50,687	Variable, approximately 25m by 25m	93	7		
Gbeitouo	59	8,376	40m by 40m	99	1		
Aires Leach Pads	169	7,223	30m by 30m	11		89	
Bakatouo	378	44,110	Variable: 40m on section, 30m between sections	96	4		
Colline Sud	171	15,899	30m on section, 25m between sections	75	25		
Le Plaque	1,314	133,573	Variable (approximately) 25m by 25m	40	35	13	12
Total	**2,977**	**303,594**		**52**	**27**	**15**	**5**

Figure 6-5: Ity Gold Mine: Le Plaque drill map and selected intercepts



6.3.3 Quality and Quantity of Data

To date, the exploration programmes completed including the drilling and survey procedures, were observed to be completed to acceptable industry standards. Furthermore, the exploration programmes are considered to be appropriate for the Ity Gold Mine deposits and to inform the geological models and resource models which underpin the Mineral Resources as reported herein.

The sample preparation, analysis and security are currently under the supervision of the Group's geologists, and were prior to that, under the supervision of SMI from 2013 up until the time at which the Group acquired Ity Gold Mine in 2015. Sample collection by the Company and SMI, or by third parties contracted by these companies, were subject to quality control procedures that ensured industry best practice was utilised for the handling, sampling, transport, analysis, storage and documentation of sample material and analytical results.

When samples were received at both of the SGS run Ity Gold Mine and Agbaou Gold Mine on-site laboratories, the SGS commercial laboratory in Ouagadougou or at the Bureau Veritas laboratory (Abidjan), the samples were logged into the laboratory information management system ("**LIMS**"). Sample preparation was undertaken at the respective laboratories. Both the SGS and Bureau Veritas laboratory protocols are principally the same and include: oven drying

at 105°C to 110°C; crushing to a nominal 2mm diameter using a jaw crusher and sub-sampling with a riffle splitter; pulverisation (approximately 0.5kg) with an LM2 such that 85% to 90% passes a 75µm mesh; and systematic checks to verify particle size.

Fire Assay with an AAS finish, is the primary technique applied for gold analysis. Three alternate assay methods were also used depending on the gold grade. The assay methods include the following:

- **SGS Ity, Agbaou and Ouagadougou:**
  - Fire Assay (SGS code FAA505) - Nominal 50g charge analysed. Silver used as secondary collector and Au is determined with AAS finish,
  - Fire Assay with gravimetric finish (SGV GO FAG505) - carried out on all samples with grade greater than 30g/tAu;
- **Bureau Veritas laboratory (Abidjan):**
  - Fire Assay (BV code FA450 or FA001) - Nominal 50g charge analysed. Silver used as secondary collector and Au is determined with AAS finish.
  - ICP-ES (BV code AQ300) – where samples return fire assay grades >0.5g/tAu, Bureau Veritas is instructed by the Company to send the pulps to ACME laboratories in Vancouver, Canada (ISO17025 and ISO9001 accredited) for digest and 34 element ICP analysis. It must be noted that the Aqua Regia method is a partial digest and major elements are not used for whole rock analysis.
  - Fire Assay with gravimetric finish (BV FA550 or FAGRA01) - carried out on all samples with grade greater than 30g/tAu; and
- **ALS-Chemex (Ouagadougou):** Leachwell ("**LW**") / Tails Fire Assay ("**TFA**"). In 2018 the effectiveness of using Leachwell LW/TFA analysis was investigated for samples from drill holes at Floleu as a potential means to assay a more representative 1kg sample. Following trials at both the Bureau Veritas laboratory (Abidjan) and ALS-Chemex (Ouagadougou), it was decided that there was no advantage to using the more expensive and complex (sampling logistics) LW/TFA protocol for analysis of drilling samples at Floleu. As such, although the results of quality control sampling and analysis by LW/TFA are presented in the following sections, associated sample assay results were not included in any of the Resource databases.

Where Fire Assay analyses return a grade >0.5g/tAu a 34-element suite Inductively Coupled Analysis ("**ICP**") analysis is undertaken, inclusive of Cu ± CuCN ± Ag ± S ± As analyses for each of the deposits. Typically, these data represent <30% (and at some deposits, <10%) of the total number of gold assays in the resource database for each deposit and as such, do not form a suitable basis for a reliable grade estimate within the same domains.

All assays for the most recent exploration campaigns were done by Bureau Veritas laboratory. In addition to the above, six batches of samples were sent to ALS Chemex, Ouagadougou, Burkina Faso as independent checks. These samples came from the various exploration targets.

Sampling and assaying are monitored through the implementation of a quality assurance – quality control (QA/QC) program. The QA/QC program was audited by an independent international consultant in 2019 and consequently designed to follow industry best practices.

The current sample collection and preparation, analytical techniques, security and QA/QC protocols implemented are consistent with standard industry practice and are suitable for the reporting of exploration results and for use in Mineral Resource estimation. The sampling procedures are adequate for and consistent with the style of gold mineralisation under

consideration. The historical data has been assessed for accuracy and incorporated into the database and was found acceptable for use in geological and mineral resource evaluations.

Notwithstanding the above, a number of recommendations have been made as noted in various internal and external reviews. These are not considered to be significant, however a programme is in place to address these items in the near future.

6.3.4 Mineral Resource Estimation

The Ity Gold Mine deposits at Bakatouo, Ity-Walter, Daapleu, Colline Sud, Verse Ouest, and Aires were updated for mining depletion in 2020. The base resource models for these deposits are unchanged from 2019. The Zia Ne deposit and Gbeitouo deposit resources are unchanged from 2019. The Le Plaque resource was updated with new drilling data in June 2020.

Geological Domaining, Block Modelling and Interpolation

The Mont Ity, Ity Flat, Tontouo and Walter deposits were treated as a single, continuous deposit and geological wireframes were produced as part of the 2019 Mineral Resource estimates. Simple volumes were generated on a sectional basis using Surpac, with more complex geometries modelled using Leapfrog Geo.

A nominal cut-off grade of 0.2g/tAu to 0.3g/tAu was used along with lithological and structural logging to define estimation domains. A high degree of tolerance was used for the inclusion of internal waste to produce relatively continuous domains along known, north-westerly dipping structures. In most areas a hard boundary was implemented during estimation in each of the domains, with the clay-fresh rock boundary spatially corresponding with the Transition – Fresh weathering boundary.

Visual assessment of gold assays within distinct weathering domains indicated that hypogene mineralisation hosted within the fresh rock domain was spatially restricted to distinct structures, whereas often remobilised gold produced more diffuse (and sometimes higher grade) mineralisation domains within the overlying saprolite clays.

The mineralisation domains reflected hypogene, fresh rock (mostly skarn-related), clay (saprolite)-hosted, supergene laterite-hosted and '*halo*' mineralisation or '*mineralised waste*' mineralisation. The latter mineralisation represents low grade, discontinuous and erratic gold mineralisation outside of other distinctly higher-grade mineralisation domains.

The Mineral Resource was estimated using two interpolation methods:

- **Ordinary Kriging ("OK"):** OK was used to estimate gold grade inside the grade control ("**GC**") volume. The estimation was undertaken separately for the intersection of each estimation domain and the GC volume; and
- **Localised Uniform Conditioning ("LUC"):** LUC, using all available data was carried out for the whole volume defined by the estimation domains.

The final reported gold grade estimate is a combination of the OK GC estimate within the GC volume, and the LUC estimate outside of the GC volume. Since the GC data only extend at most a few benches below the pit surface at the time of the estimate, the vast majority of the Mineral Resource lies within the volume estimated by LUC.

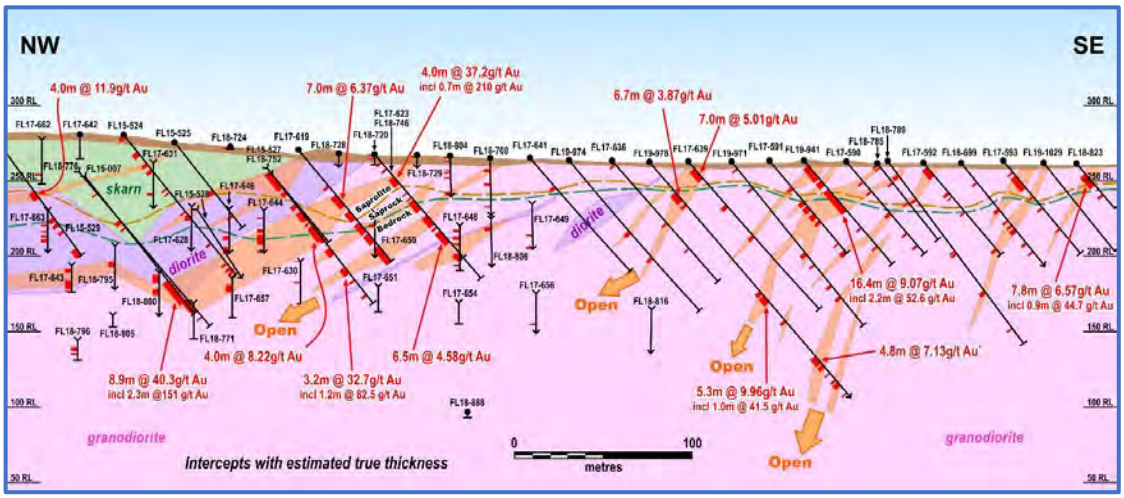
Lithological wireframing for Zia NE, Bakatouo, Daapleu and Gbeitouo deposits was modelled in 2017 on a sectional basis, based on the "**LITHO**" fields of the respective "**Geology**" databases. Interpretive polylines were snapped to drillholes and the resultant lithological domains ("**3DMs"**) were coded into the respective block model(s). Mineralisation domains at the Zia NE, Bakatouo and Gbeitouo deposits were modelled using a nominal 0.3g/tAu grade cut-off. At the Daapleu deposit, mineralisation domains were modelled using an interpreted

natural cut-off grade of 0.35g/tAu and geological logging, where available. The gold grade was estimated using a combined OK and LUC methodology.

Geological modelling for the Colline Sud deposit was completed in 2017 using lithological logging and interpreted geological cross-sections and level plans. Laterite, oxidised and reduced clays, volcano-sediments and two sets of intrusions (felsic, trending approximately north-south, and mafic trending approximately northeast-southwest) were modelled in Surpac. Mineralisation domains at Colline Sud were modelled on a sectional basis using a nominal 0.5g/tAu cut-off grade with a maximum of 2m continuous waste intervals included. A total of 27 mineralisation domains were modelled, trending northeast-southwest, with an average dip of 55° to the northwest.

Geology wireframes at the Le Plaque (Figure 6-6) deposit were interpreted in Geovia Surpac™ software with interpretations of the geology and mineralisation primarily based on 25m spaced sections. Mineralisation domains were interpreted from drillhole lithological logs on a sectional basis (25m spacing) using a nominal cut-off grade of 0.3g/tAu and a minimum width of 2m. Polylines were snapped to drillholes and the resultant domains were typically extended a maximum of 15m down-dip and along-strike beyond the informing data. A total of 49 domains were produced. The gold resource was estimated using the OK methodology for each mineralised domain. The density was measured in 5,069 core samples within the various rock types then averaged within the model by the weathered zones. The laterite density is 1.55t/m^3, the saprolite is 1.50t/m^3, the transition is 2.40t/m^3 and the fresh rock is 2.80t/m^3.

Figure 6-6: Ity Gold Mine: sectional view through Le Plaque main and Le Plaque south areas



For the Verse Ouest and Teckraie deposits, lithology codes were flagged into the '*facies*' block model attribute field. Given the deposits represent historic waste dumps, the interpretation focused primarily on the boundary position between the dumped rock material and underlying laterite. The interpretation polylines were based on 25m spaced sections oriented toward 135º. The polylines were "snapped" to drill hole traces in most instances and used to create validated 3DMs. The underlying laterite domain interpretation was based on logged geology and was limited to a minimum downhole length of 2m. The top surface of the laterite domain represents the base of the dumped rock material. As the rock dumps are not physically separate, a nominal line of separation was interpreted to best honour the drilling data and previous description of the two rock dumps. Within the rock dump, an area of locally higher-grade assays was identified and sub-domained for consideration during the grade estimation process. The gold grade was estimated primarily using the OK methodology. Recent infill drilling suggested that large areas

may be delineated and mined at a slightly higher grade to the surrounding material. Therefore, any attempt to selectively mine the rock dump material may have associated risks and it is preferred to report the resource above a 0g/tAu cut-off and mine the entire dump.

Lithological modelling was not completed for Aires. The mineralisation domaining at Aires was based on facies modelling of the heap leach pad from drillhole data and was carried out in 2017 MRE and updated in 2019. An additional surface was created which reflects the lift added to the heap leach pad at domain 11 since the previous mineral resource estimate.

A summary of the geological modelling methodology and other deposit physical characteristics is presented in Table 6-6 below. A summary of the estimation parameters utilised for each of the individual deposit groupings is presented in Table 6-7 below.

Table 6-6: Ity Gold Mine: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Mont Ity/Flat/Walter	Sectional wireframes using Surpac Grade threshold: 0.2g/tAu to 0.3g/tAu.	2,400 by 900m extent, drilled down to 400m below original topography at the deepest (Ity pit).	45° strike overall, dipping 45° to the northwest main mineralised zone 30m.
Zia NE	Sectional wireframes using Surpac Grade threshold: 0.3g/tAu.	750m by 600m, model built down to 300m below surface where the drilling stops.	Dip direction 300°, dipping 30°. Three main mineralised structures, true width from 6m to 20m. Flat, top oxide mineralised layer modelled separately for the dipping ore bodies at depth.
Verse Ouest - Teckraie	Sectional wireframes using Surpac. Basal contact with in-situ laterite material used to define domain. Underlying laterite domain determined based on logged geology and was limited to a minimum downhole length of 2m.	800m by 700m rounded shape.	No orientation nor dip Width up to 50m maximum.
Daapleu	Sectional wireframes using Surpac. Grade threshold: 0.35g/tAu.	1,200m by 250m and down to 600m below the surface. Mineralisation still open at depth, underground potential.	Dipping 45° to the north-northeast (dip direction 330°). Main mineralised corridor up to 100m wide, other wireframes true width from 5m to 20m.
Gbeitouo	Sectional wireframes using Surpac. Grade threshold: 0.3 g/tAu.	410m by 270m span, drilled down to 200m below surface.	Dip direction 314° and dipping 50°. True width from 20m to 30m for the main structure.
Aires Leach Pads	Sectional wireframes using Surpac. Based on facies modelling of the heap leach pad.	Square shaped, 500m by 400m.	No orientation nor dip. Width up to 50m maximum
Bakatouo	Sectional wireframes using Surpac. Grade threshold: 0.3g/tAu.	800m by 450m, down to 200m below surface. Mineralisation closed to the northeast, possible extension to the southwest.	Azimuth 50°, dipping 50° to the northwest. Set of parallel mineralised structures, average true width around 15m to 20m.
Colline Sud	Sectional wireframes using Surpac. Grade threshold: 0.5g/tAu.	600m by 500m, down to 200m below surface. Mineralisation closed.	Azimuth 45°, dipping to the northwest. Set of parallel mineralised structures, average true width 5m.
Le Plaque	Sectional wireframes using Surpac. Grade threshold: 0.3g/tAu.	1,600m by 650m, down to 260m below surface. Mineralisation still open to the southwest and the northeast.	Variable orientations, but mineralised structures globally aligned along 40° azimuth, subvertical or steeply dipping to the northwest. Average true width about 10m to 20m per structure.

Table 6-7: Ity Gold Mine: resource estimation parameters

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Mont Ity/Flat/Walter	1m	Capping applied per mineralisation domain based on statistical review. Cap values range from 0g/tAu to 80g/tAu.	Hard boundaries	Parent block size 5m by 5m by 2.5m (XYZ) and sub-blocks 2.5m by 2.5m by 1.25 (XYZ). Rotation 45°	NE: 13% to 35%; Range: 23m to 70m; Ordinary Kriging (GC volume) and Localised Uniform Conditioning (wider estimation domains): Search Volume 1 (GC): 60m by 60m by 15m to 20m; Search Volume 1 (Panel OK): 60m to140m by 60m to140m by 20m to 25m Search Volume 1 (SMU Ranking OK): 60m to 140m by 60m to 140m by 20m to 35m Dynamic anisotropy: Min Composites: 4 (GC); 8 (Panel OK); 8 (SMU Ranking OK) Max Composites: 3 per quadrant (GC); 4 to 6 per quadrant (Panel OK); 3 to 4 per quadrant (SMU Ranking OK)	Average values saprolite: 1.30 transition: 1.57 fresh rock: 2.76	Global statistics comparison of composites, block grades and different estimation methods used. Swath plots. Visual checks on section, comparing composites versus estimated blocks
ZiaNE	2m	Capping applied per mineralisation domain based on statistical review. Cap values range from 8g/tAu to 30g/tAu	Hard boundaries	Parent block size 5m by 5 by 2.5m (XYZ) and sub-blocks 5m by 5m by 2.5m. Rotation 30°.	NE: 10% to 35% Range: 28m to 81m Search passes: 1 Search Volume 1: 120m to 150m by 120m to 150m by 30m to 45m Dynamic anisotropy Min Composites: 8-12 Max Composites: 22-28	Average values laterite: 1.69 saprolite: 1.50 transition: 1.69 fresh rock: 2.77 and 2.55	Global statistics comparison of composites, block grades and different estimation methods used. Swath plots. Visual checks on section, comparing

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					Grade Estimation Methodology: Ordinary Kriging and Localised Uniform Conditioning	depending on geology	composites versus estimated blocks.
Verse Ouest - Teckraie	1m	Capping applied per mineralisation domain based on statistical review. Cap values range from 5g/tAu to 25g/tAu.	Hard boundaries (one-way soft boundary used for domains 100 and 200)	Parent block size 10m by 10m by 2.5m (XYZ) and sub-blocks 2.5m by 2.5m by 1.25m (XYZ). No rotation	NE: 54% Range: 75m Search passes: 2 Search Volume: 75m to 240m by 75m to 240m by 5m Search ellipse increased by factor of 2 for search pass 2 Search ellipse oriented along estimation domains Min Composites: 6 Max Composites: 18 Grade Estimation Methodology: Ordinary Kriging	Average values 1.3 for all the oxide	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Daapleu	2m	Capping applied per mineralisation domain based on statistical review. Cap values range from 2.5g/tAu to 25g/tAu.	Hard boundaries	Block size 5m by 5m by 2.5m (XYZ) and sub-blocks 5m by 5m by 2.5m No rotated	NE: 16% to 29% Range: 28m to 81m Search passes: 1 Search Volume 1: 120m to 570m by 120m to 570m by 25m to 190m Dynamic anisotropy Min Composites: 8 Max Composites: 16-26 Grade Estimation Methodology: Ordinary Kriging and Localised Uniform Conditioning	Average values saprolite: 2.17 transition: 2.42 fresh mineralised corridor : 2.69 fresh host rock: 2.84	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Gbeitouo	2m	Capping applied per mineralisation domain based on statistical review. Cap values range from 1g/tAu to 15g/tAu.	Hard boundaries	Block size 5m by 5m by 2.5m (XYZ) and sub-blocks 5m by 5m by 2.5m. Rotation 30°.	NE: 32% to 35% Range: 50m to 70m Search passes: 1 Search Volume 1: 120m by 120m by 30m Dynamic anisotropy Min Composites: 10 Max Composites: 26-26 Grade Estimation Methodology: Ordinary Kriging and Localised Uniform Conditioning	Average values laterite: 1.61 saprolite: 1.43 transition: 1.57 fresh rock: 2.75	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Aires Leach Pads	1m	Capping applied per mineralisation domain based on statistical review. Cap values range from 5g/tAu to 20g/tAu.	Hard boundaries	Parent block size 10m by 10 by 5m (XYZ) and sub-blocks 2.5m by 2.5m by 1.25m (XYZ). No rotation.	NE: 7-25% Range: 45-100 m Search passes: 2 Search Volume 1: 45-100 x 45-100 x 15-27 m Search ellipse oriented along estimation domains Search ellipse increased by factor of 2 for search pass 2 Min Composites: 4 Max Composites: 10 (12 for pass 2) Grade Estimation Methodology: Ordinary Kriging	Average values 1.3 for all the oxide	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Bakatouo	2m	Capping applied per mineralisation domain based on statistical review. Cap values range from 0g/tAu to 40g/tAu.	Hard boundaries	Parent block size 10m by 10m by 5m (XYZ) and sub-blocks 5m by 5m by 2.5m (XYZ). Rotation 45°.	NE: 10-35% Range: 28-81 m Search passes: 1 Search Volume 1: 60 x 60 x 15 m Dynamic Anisotropy Min Composites: 8 Max Composites: 20	Average values laterite: 1.62 saprolite: 1.40 transition: 1.51 fresh rock: 2.82, 2.87 and 2.71 depending on geology	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Colline Sud	1m	30g/tAu - based on statistical review.	Hard boundaries	Parent block size 5m by 10m by 2.5m (XYZ) and sub-blocks 1.25m by 2.5m by 0.625m (XYZ). Rotation 40°.	NE: 20% Range: 59 m Search passes: 2 Search Volume 1: 50 x 25 x 12.5 m Search ellipse increased by factor of 2 for search pass 2 Dynamic anisotropy Min Composites: 5 (4 for pass 2) Max Composites: 25 (20 for pass 2) Grade Estimation Methodology: Ordinary Kriging	Average values laterite: 1.62 saprolite: 1.40 transition: 1.50 fresh rock: 2.80	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Le Plaque	1m	Capping applied per mineralisation domain based on statistical review. Cap values range from 0g/tAu to 40g/tAu.	Hard boundaries	Parent block size 10m by 10m by 2.5m (XYZ) and sub-blocks 1.25m by 1.25m by 2.5m (XYZ). No rotation.	NE: 20% to 45% Range: 45m to 75m Search passes: 2 Search Volume 1: 45m by 45m by 11.25m (75m by 75m by 18.75m for pass 2) Search ellipse oriented along each estimation domain Min Composites: 7 (3 for pass 2) Max Composites: 20 Grade Estimation Methodology: Ordinary Kriging	Average values laterite: 1.55 saprolite: 1.50 transition: 2.4 fresh rock: 2.80	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks

Classification

Mineralisation has been sufficiently well-defined for the reporting of Indicated and Inferred Mineral Resources at most of the deposits, with the exception of Mont Ity to Walter and Aires,

where closer spaced drilling in areas proximal to active mining afford increased confidence in estimated grades and the subsequent reporting of Measured Resources.

The criteria assessed during the classification approach includes geological and grade continuity, data quantity and quality, quality of geostatistics and grade interpolation. For the Ity to Walter deposits, Measured Mineral Resources are limited to the volume informed by the dense GC drill data, Indicated Mineral Resources are typically defined by a drill spacing of 25m by 25m, but can include some areas up to 50m by 50m with an average distance to the nearest sample of less than 50m. Inferred Mineral Resources include the remaining interpreted and estimated mineralisation.

The Colline Sud classification was based on which kriging search pass a given block was estimated in, as well as drill hole spacing, where only the resources within the laterites and the saprolites were classified as Indicated Mineral Resources.

The Le Plaque deposit classification considered areas with relatively closely spaced drilling (25m x 25m). Good grade continuity and where grades were estimated in search pass 1 were classified as Indicated Mineral Resources, the remaining blocks estimated in search pass 2 were classified as Inferred Mineral Resources.

In the case of the historical dumps the Verse Ouest-Teckraie, and the Aries dumps have been classified based primarily on drill spacing in the Measured, Indicated and Inferred Mineral Resource categories.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Ity Gold Mine reports its open pit Mineral resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves save for adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz utilised for reporting Ore Reserves for Ity Gold Mine. In respect of underground Mineral Resources, SRK notes that for the Ity Gold Mine, there are no Mineral Resources reported which are considered to be mineable by underground methods.

6.3.5 Mineral Resource Statements

As at 31 December 2020 Ity Gold Mine reports total Mineral Resources (Table 6-8) of 95.0Mt

grading 1.48g/tAu containing 4.5MozAu and comprising:

- Measured Mineral Resources of 11.6Mt grading 0.95g/tAu and containing 354kozAu;
- Indicated Mineral Resources of 65.6Mt grading 1.62g/tAu and containing 3,407kozAu; and
- Inferred Mineral Resources of 17.9Mt grading 1.32g/tAu and containing 762kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 29.4Mt grading 1.13g/tAu; transitional material of 8.7Mt grading 1.68g/tAu and fresh material of 56.9Mt grading 1.63g/tAu. Mineral Resources reporting to stockpiles comprise a total of 6.4Mt grading 0.78g/tAu containing 160kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 6.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell assuming a long-term gold price of US$1,500/oz and application of a uniform cut-off grade of 0.5g/tAu for all deposits irrespective of location and weathering type. This simplification however is considered appropriate for the majority of the material reporting within the statements when assuming a marginal cut-off grade policy which largely reflects the mill cut-off grade determinations. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 6.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 6-8: Ity Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Mont Ity/Flat/Walter o/p	1,818	1.74	102	739	1.79	42	489	1.91	30	590	1.53	29
Verse Ouest/Teck o/p	2,192	0.92	65	2,192	0.92	65	-	-	-	-	-	-
Aires Leach Pads	1,164	0.74	28	1,164	0.74	28	-	-	-	-	-	-
Stockpile	6,397	0.78	160	4,074	0.71	94	72	0.93	2	2,251	0.89	64
Subtotal	**11,571**	**0.95**	**354**	**8,169**	**0.87**	**229**	**561**	**1.79**	**32**	**2,841**	**1.02**	**93**
Indicated												
Mont Ity/Flat/Walter o/p	7,530	1.72	416	1,071	1.67	58	2,114	2.14	145	4,345	1.52	213
Zia NE o/p	7,206	1.03	238	3,615	1.07	124	2,300	1.00	74	1,291	0.95	40
Verse Ouest/Teck o/p	5,330	1.00	171	5,330	1.00	171	-	-	-	-	-	-
Daapleu o/p	23,226	1.47	1,100	356	1.11	13	454	1.12	16	22,416	1.49	1,071
Gbeitouo o/p	2,865	1.35	124	887	1.42	40	63	1.36	3	1,914	1.32	81
Aires Leach Pads	3,087	0.99	98	3,087	0.99	98	-	-	-	-	-	-
Bakatouo o/p	7,703	2.14	531	494	2.29	36	866	2.71	75	6,344	2.05	419
Colline Sud o/p	660	2.33	49	567	2.39	44	93	1.96	6	-	-	-
Le Plaque o/p	7,943	2.66	680	1,672	2.26	121	540	2.78	48	5,731	2.77	510
Subtotal	**65,551**	**1.62**	**3,407**	**17,079**	**1.28**	**705**	**6,429**	**1.78**	**368**	**42,042**	**1.73**	**2,334**
Measured + Indicated												
Mont Ity/Flat/Walter o/p	9,348	1.72	518	1,810	1.72	100	2,603	2.10	176	4,935	1.53	242
Zia NE o/p	7,206	1.03	238	3,615	1.07	124	2,300	1.00	74	1,291	0.95	40
Verse Ouest/Teck o/p	7,521	0.98	236	7,521	0.98	236	-	-	-	-	-	-
Daapleu o/p	23,226	1.47	1,100	356	1.11	13	454	1.12	16	22,416	1.49	1,071
Gbeitouo o/p	2,865	1.35	124	887	1.42	40	63	1.36	3	1,914	1.32	81
Aires Leach Pads	4,251	0.92	126	4,251	0.92	126	-	-	-	-	-	-
Bakatouo o/p	7,703	2.14	531	494	2.29	36	866	2.71	75	6,344	2.05	419
Colline Sud o/p	660	2.33	49	567	2.39	44	93	1.96	6	-	-	-
Le Plaque o/p	7,943	2.66	680	1,672	2.26	121	540	2.78	48	5,731	2.77	510
Stockpile	6,397	0.78	160	4,074	0.71	94	72	0.93	2	2,251	0.89	64
Subtotal	**77,122**	**1.52**	**3,762**	**25,248**	**1.15**	**934**	**6,991**	**1.78**	**401**	**44,883**	**1.68**	**2,427**
Inferred												
Mont Ity/Flat/Walter o/p	9,300	1.36	408	1,692	1.12	61	902	1.10	32	6,706	1.46	315
Zia NE o/p	5,214	1.14	191	1,038	0.92	31	710	1.48	34	3,467	1.14	127
Verse Ouest/Teck o/p	867	0.78	22	867	0.78	22	-	-	-	-	-	-
Daapleu o/p	585	0.89	17	250	0.84	7	70	1.01	2	265	0.91	8
Gbeitouo o/p	257	1.56	13	62	1.56	3	1	0.90	0	194	1.56	10
Bakatouo o/p	496	1.96	31	7	2.57	1	36	1.93	2	453	1.95	28
Colline Sud o/p	416	2.12	28	21	1.47	1	2	1.16	0	393	2.16	27

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Le Plaque o/p	772	2.11	52	232	1.97	15	26	2.31	2	515	2.16	36
Subtotal	**17,909**	**1.32**	**762**	**4,170**	**1.04**	**139**	**1,746**	**1.29**	**72**	**11,993**	**1.43**	**551**
Mineral Resources												
Mont Ity/Flat/Walter o/p	18,648	1.54	926	3,503	1.43	161	3,505	1.84	207	11,641	1.49	557
Zia NE o/p	12,420	1.07	429	4,652	1.03	155	3,009	1.12	108	4,758	1.09	166
Verse Ouest/Teck o/p	8,389	0.96	258	8,389	0.96	258	-	-	-	-	-	-
Daapleu o/p	23,812	1.46	1,117	607	1.00	19	523	1.11	19	22,682	1.48	1,079
Gbeitouo o/p	3,123	1.36	137	950	1.43	44	64	1.35	3	2,108	1.34	91
Aires Leach Pads o/p	4,251	0.92	126	4,251	0.92	126	-	-	-	-	-	-
Bakatouo o/p	8,200	2.13	562	501	2.29	37	902	2.68	78	6,797	2.05	447
Colline Sud o/p	1,077	2.25	78	588	2.36	45	95	1.94	6	393	2.16	27
Le Plaque o/p	8,715	2.61	732	1,904	2.22	136	566	2.76	50	6,245	2.72	546
Stockpile	6,397	0.78	160	4,074	0.71	94	72	0.93	2	2,251	0.89	64
Total	**95,030**	**1.48**	**4,524**	**29,418**	**1.13**	**1,073**	**8,737**	**1.68**	**473**	**56,876**	**1.63**	**2,978**

6.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 6-9 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are: an overall reduction of 108koz which compares with total mining depletion of 352kozAu and limited changes in the contained gold reported for the Inferred Mineral Resource category. This is however net of a significant increase (40%) in contained metal at the Le Plaque deposit. Mineral Resources were reported within an optimised shell assuming a gold price of US$1,500/oz for 2016 through 2020 with the exception of 2018 which was reported at US$1,400/oz.

Table 6-10 presents a total Mineral Resource comparison between historical reporting periods for Ity Gold Mine from 2016 through 2020 inclusive. The analysis focuses primary on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. For the former and comparing a 2016 depletion adjusted 'estimate' of future Mineral Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resources have increased by some 42.0Mt at a grade of 1.38g/tAu. This should however be seen in the light of a reduction (potential upgrading) of Inferred Mineral Resources (totalling 12.3Mt grading 1.63g/tAu) and total depletion of 19.0Mt grading 1.51g/tAu for a total of 875kozAu. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Ity Gold Mine over the reporting period considered.

Table 6-9: Ity Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Mont Ity/Flat/Walter o/p	1,818	1.74	102	(135)	0.05	(4)	1,953	1.69	106
Verse Ouest/Teck o/p	2,192	0.92	65	(687)	(0.03)	(23)	2,879	0.95	88
Aires Leach Pads	1,164	0.74	28	(312)	(0.06)	(10)	1,476	0.80	38
Stockpile	6,397	0.78	160	2,442	(0.05)	55	3,955	0.83	105
Subtotal	**11,571**	**0.95**	**354**	**1,308**	**(0.07)**	**17**	**10,263**	**1.02**	**337**
Indicated									
Mont Ity/Flat/Walter o/p	7,530	1.72	416	(227)	(0.00)	(13)	7,757	1.72	429
Zia NE o/p	7,206	1.03	238	0	0.00	0	7,206	1.03	238
Verse Ouest/Teck o/p	5,330	1.00	171	(685)	(0.02)	(25)	6,015	1.01	196
Daapleu o/p	23,226	1.47	1,100	(3,049)	(0.01)	(156)	26,276	1.49	1,256
Gbeitouo o/p	2,865	1.35	124	0	0.00	0	2,865	1.35	124
Aires Leach Pads	3,087	0.99	98	(468)	(0.05)	(20)	3,555	1.03	118
Bakatouo o/p	7,703	2.14	531	(1,131)	(0.01)	(81)	8,834	2.15	611
Colline Sud o/p	660	2.33	49	(298)	0.19	(17)	958	2.14	66
Le Plaque o/p	7,943	2.66	680	3,315	(0.54)	204	4,628	3.20	476
Subtotal	**65,551**	**1.62**	**3,407**	**(2,542)**	**0.01**	**(107)**	**68,093**	**1.61**	**3,514**
Measured + Indicated									
Mont Ity/Flat/Walter o/p	9,348	1.72	518	(362)	0.01	(18)	9,710	1.71	535

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Zia NE o/p	7,206	1.03	238	0	0.00	0	7,206	1.03	238
Verse Ouest/Teck o/p	7,521	0.98	236	(1,372)	(0.02)	(48)	8,894	0.99	284
Daapleu o/p	23,226	1.47	1,100	(3,049)	(0.01)	(156)	26,276	1.49	1,256
Gbeitouo o/p	2,865	1.35	124	0	0.00	0	2,865	1.35	124
Aires Leach Pads	4,251	0.92	126	(780)	(0.04)	(30)	5,031	0.96	156
Bakatouo o/p	7,703	2.14	531	(1,131)	(0.01)	(81)	8,834	2.15	611
Colline Sud o/p	660	2.33	49	(298)	0.19	(17)	958	2.14	66
Le Plaque o/p	7,943	2.66	680	3,315	(0.54)	204	4,628	3.20	476
Stockpile	6,397	0.78	160	2,442	(0.05)	55	3,955	0.83	105
Subtotal	**77,122**	**1.52**	**3,762**	**(1,234)**	**(0.01)**	**(90)**	**78,356**	**1.53**	**3,851**
Inferred									
Mont Ity/Flat/Walter o/p	9,300	1.36	408	(362)	0.02	(10)	9,662	1.35	418
Zia NE o/p	5,214	1.14	191	0	0.00	0	5,214	1.14	191
Verse Ouest/Teck o/p	867	0.78	22	106	(0.06)	1	761	0.84	21
Daapleu o/p	585	0.89	17	(57)	(0.01)	(2)	643	0.90	19
Gbeitouo o/p	257	1.56	13	(13)	0.06	(0)	270	1.50	13
Bakatouo o/p	496	1.96	31	(65)	(0.31)	(10)	561	2.27	41
Colline Sud o/p	416	2.12	28	(3)	0.04	0	419	2.08	28
Le Plaque o/p	772	2.11	52	270	(0.97)	3	502	3.08	50
Subtotal	**17,909**	**1.32**	**762**	**(124)**	**(0.02)**	**(18)**	**18,032**	**1.35**	**780**
Mineral Resources									
Mont Ity/Flat/Walter o/p	18,648	1.54	926	(724)	0.01	(28)	19,372	1.53	953
Zia NE o/p	12,420	1.07	429	0	0.00	0	12,420	1.07	429
Verse Ouest/Teck o/p	8,389	0.96	258	(1,266)	(0.03)	(47)	9,654	0.98	304
Daapleu o/p	23,812	1.46	1,117	(3,107)	(0.01)	(158)	26,918	1.47	1,275
Gbeitouo o/p	3,123	1.36	137	(12)	0.01	(0)	3,135	1.36	137
Aires Leach Pads o/p	4,251	0.92	126	(780)	(0.04)	(30)	5,031	0.96	156
Bakatouo o/p	8,200	2.13	562	(1,196)	(0.03)	(90)	9,395	2.16	652
Colline Sud o/p	1,077	2.25	78	(300)	0.13	(16)	1,377	2.12	94
Le Plaque o/p	8,715	2.61	732	3,585	(0.57)	207	5,131	3.19	526
Stockpile	6,397	0.78	160	2,442	(0.05)	55	3,955	0.83	105
Total	**95,030**	**1.48**	**4,524**	**(1,358)**	**(0.01)**	**(108)**	**96,389**	**1.49**	**4,631**

Table 6-10: Ity Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	52,817	1.64	2,779	1,522	1.64	80
2017	73,854	1.56	3,695	1,608	1.56	80
2018	73,617	1.54	3,646	1,909	1.54	95
2019	78,356	1.53	3,851	5,472	1.53	269
2020	77,122	1.52	3,762	7,213	1.52	352
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	51,295	1.64	2,699	1,522	1.64	80
2017	49,687	1.56	2,618	24,166	1.39	1,077
2018	47,778	1.54	2,524	25,839	1.35	1,122
2019	42,306	1.53	2,255	36,050	1.38	1,596
2020	35,093	1.52	1,903	42,028	1.38	1,858
Period	**Reported**			**Variance to 2016**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	30,185	1.45	1,406	-	-	-
2017	18,699	1.31	785	(11,486)	(0.14)	(621)
2018	19,134	1.34	823	(11,051)	(0.11)	(583)
2019	18,032	1.35	780	(12,153)	(0.10)	(626)
2020	17,909	1.32	762	(12,276)	(0.12)	(644)

6.3.7 Reconciliation

Reconciliation practices are completed in accordance with the Group Standard for the reconciliation of produced grade and tonnage which outlines a process for the systematic collection, recording and analysis of mine production data relating to the exploration models, grade-control models, mining and metallurgical accounting statistics. The key statistical measures include the following metrics:

- Mineral Resource Model Factor ("**MRMF**") which compares ratio of the sum of plant accounted and stockpile changes to the Mineral Resource Model ("**MRM**") blocked to the selective mining unit ("**SMU**") and reported on an in-situ basis;
- Grade Control Model Factor ("**GCMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Grade Control Model ("**GCM**") blocked to the SMU and reported on an in-situ basis;
- Ore Reserve Model Factor ("**ORMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Ore Reserve Model ("**ORM**") reported on a diluted/re-blocked

model basis;

- Mine Design to Mineral Resource Model Factor ("**MDMRMF**") which compares the mine design model (short term plan) survey results to the MRM blocked to the SMU and reported on an in-situ basis; and
- The Plant Received to Delivered to Plant ("**PR-DP**") is a measure of the estimated feed tonnage and grade in comparison to that measured in the Plant with measurements based on belt weightometer to mills and leach feed grade. The actual determination includes Plant Received less Delivered to Plant divided by Delivered to Plant.

Grade control drilling is carried out by a drilling contractor and the samples are tested in the onsite laboratory. Sampling commences with grade control drilling ahead of the mining front, aimed at assisting the short to medium term mine planning process. The grade control is based on 138mm diameter RC drilling and sampling practice. A grade control pattern of 12.5m by 6m is used for 36m deep holes (30m vertical) and 1.0m vertical sampling intervals. The holes are angled 50° to 55° degrees from the hanging wall side of the ore zones to provide a good intersection with the mineralised structures.

Multiple reconciliation measures are calculated each month in order that the relationship between various stages in the model to mine to mill chain can be better understood. Principally the mining allocated (or declared ore mined) measure is calculated from the plant accounted tonnes and metal plus the change in stockpiles, which can then be compared to the depletion of the Mineral Resource and grade control models. The resultant factors indicate the net change or relative ore loss and dilution from infill grade control drilling, ore perimeter design, and mining process inclusive of blast movement. These factors can be used to modify the factors applied in short term and long-term planning processes.

Figure 6-7 presents the diagrammatic representation of the reconciliation analysis for all deposits at Ity Gold Mine mined for a 24-month period ending 31 December 2020. Detailed analysis by deposit indicates significant variability, however it should be noted that in respect of the Ity CIL Plant, the process feed comprises multiple feed sources which are co-processed and therefore all metallurgical accounting statistics are back allocated based on assumed contributions from stockpile reclamation and direct feed from the mining operations. Accordingly, as campaign processing of individual sources is not practiced it is extremely difficult to ascertain confidence in the detailed resolution at a deposit level. This aside, SRK notes that for the period in question the tonnage factors as determined for the above on a total production level ranges from 1.02 to 1.05 with gold content ranging from 0.95 to 0.98. For the MDMRMF the specific statistics reported are 1.02 for tonnage and 0.98 for contained metal.

Figure 6-7: Ity Gold Mine: All deposits reconciliation analysis (24-month period ending 31 December 2020)

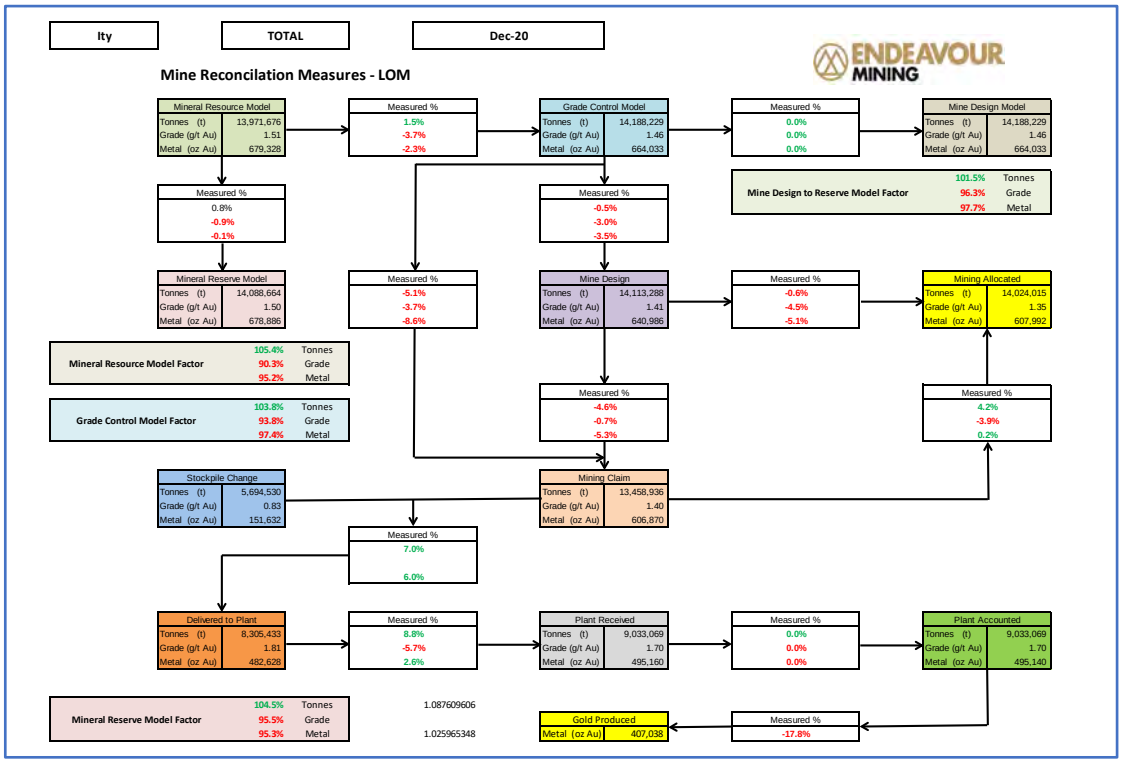


Table 6-11 presents a summary of the annual statistics reported in accordance with the routine monthly measurements for depletion from the MRM, the GCM and the Declared Ore Mined ("**DOM**") which is the back-calculated tonnage and grade mined, based upon the reconciled processed tonnage and grade and the change in stockpile tonnage and grade. These statistics have then been compared to determine direct comparisons between the MRM and the GCM ("**MRM-GCM**"), the GCM and the DOM ("**GCM-DOM**") and the RM and the DOM ("**RM-DOM**") for tonnage grade and content as reported in Table 6-12. Short term mining production is largely influenced by the detailed GCM and to this end this appears to reconcile well with the MRM with total gold content factor $F1_c$ reporting 0.98 for the period 2017 through 2020. The comparisons with the DOM fare less well indicating a factor of approximately 0.90 for total content.

Table 6-11: Ity Gold Mine: resource model to grade control to declared ore mined reconciliation

Total	Mineral Resource Model			Grade Control Model			Declared Ore Mined		
	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)
Historical									
2016	-	-	-	774	2.66	66	1,064	2.43	83
2017	1,363	2.20	97	1,275	1.93	79	1,410	1.78	80
2018	1,961	2.78	175	1,664	2.32	124	1,676	2.01	108
2019	6,365	1.49	304	5,850	1.52	285	5,733	1.46	269
2020	7,606	1.53	375	8,338	1.41	379	8,291	1.28	342
Total	**17,296**	**1.71**	**951**	**17,901**	**1.62**	**934**	**18,174**	**1.51**	**883**
2019									
Bakatouo	1,553	1.47	73	1,503	1.51	73	1,444	1.39	64
Ity to Walter	1,449	1.90	88	998	2.08	67	1,001	1.89	61
Daapleu	2,067	1.47	98	2,051	1.43	95	2,058	1.45	96
Aires	1,014	1.09	36	987	1.30	41	922	1.29	38
Verse Ouest	282	1.02	9	312	0.96	10	308	0.98	10
Total	**6,365**	**1.49**	**304**	**5,850**	**1.52**	**285**	**5,733**	**1.46**	**269**
2020									
Bakatouo	1,708	1.78	98	1,724	1.67	93	1,841	1.47	87
Ity to Walter	788	1.06	27	823	0.99	26	816	0.86	23
Daapleu	2,532	1.82	149	2,923	1.64	154	2,973	1.44	138
Aires	807	1.24	32	800	1.17	30	819	1.02	27
Verse Ouest	344	1.24	14	344	0.96	11	313	1.13	11
Heap2	1,127	1.10	40	1,127	1.10	40	918	1.15	34
Colline Sud	300	1.69	16	598	1.31	25	611	1.14	22
Total	**7,606**	**1.53**	**375**	**8,338**	**1.41**	**379**	**8,291**	**1.28**	**342**

Table 6-12: Ity Gold Mine: reconciliation analysis[1]

Deposits	MRM-GCM			GCM-DOM			MRM-DOM		
	($F1_T$)	($F1_G$)	($F1_C$)	($F2_T$)	($F2_G$)	($F2_C$)	($F3_T$)	($F3_G$)	($F3_C$)
Historical									
2016	-	-	-	1.38	0.91	1.25	-	-	-
2017	0.94	0.87	0.82	1.11	0.92	1.02	1.03	0.81	0.83
2018	0.85	0.84	0.71	1.01	0.86	0.87	0.85	0.72	0.62
2019	0.92	1.02	0.94	0.98	0.96	0.94	0.90	0.98	0.88
2020	1.10	0.92	1.01	0.99	0.91	0.90	1.09	0.84	0.91
Total	**1.03**	**0.95**	**0.98**	**1.02**	**0.93**	**0.95**	**1.05**	**0.88**	**0.93**
2019									
Bakatouo	0.97	1.03	0.99	0.96	0.92	0.88	0.93	0.94	0.88
Ity to Walter	0.69	1.10	0.76	1.00	0.91	0.91	0.69	1.00	0.69
Daapleu	0.99	0.98	0.97	1.00	1.01	1.02	1.00	0.99	0.98
Aires	0.97	1.19	1.16	0.93	0.99	0.93	0.91	1.18	1.07
Verse Ouest	1.11	0.94	1.04	0.99	1.02	1.00	1.09	0.96	1.04
Total	**0.92**	**1.02**	**0.94**	**0.98**	**0.96**	**0.94**	**0.90**	**0.98**	**0.88**
2020									
Bakatouo	1.01	0.94	0.95	1.07	0.88	0.94	1.08	0.83	0.89
Ity to Walter	1.04	0.93	0.97	0.99	0.87	0.86	1.04	0.81	0.84
Daapleu	1.15	0.90	1.04	1.02	0.88	0.89	1.17	0.79	0.93
Aires	0.99	0.94	0.93	1.02	0.87	0.89	1.01	0.82	0.83
Verse Ouest	1.00	0.78	0.78	0.91	1.17	1.07	0.91	0.91	0.83
Heap2	1.00	1.00	1.00	0.81	1.04	0.85	0.81	1.04	0.85
Colline Sud	1.99	0.78	1.55	1.02	0.87	0.89	2.04	0.67	1.38
Total	**1.10**	**0.92**	**1.01**	**0.99**	**0.91**	**0.90**	**1.09**	**0.84**	**0.91**

[1] $F1_T$, $F1_G$. $F1_C$ reflect the factors comparing tonnage, grade and content respectively for the mineral resource model to grade control model with F2 and F3 reflecting similar comparisons between grade control models and declared ore mined and Mineral Resource Model and declared ore mined respectively.

6.3.8 Exploration Potential

Exploration potential is largely focused on continued exploration of identified anomalies and targets within the current Exploitation Licence areas and the various exploration permits which cover the wider Ity Gold Belt. An exploration program of US$9.0m is planned for 2021, drilling will focus on adding resources at Le Plaque, Verse Ouest, Daapleu SW, Walter, Bakatouo Deep and Greater Ity. Reconnaissance drilling will also test the South Floleu area and Daapleu deep targets.

6.4 Mining and Ore Reserves

At the Ity Gold Mine, the selected mining approach is by conventional open-pit excavator-truck operation. Loading, hauling and pit floor road and dump maintenance is carried out by owner mining personnel and equipment. The mining fleet consists of larger capacity 90t dump trucks and 120t class backhoe excavators, though the 40t articulated dump trucks are still utilized depending on pit and dump conditions, in particular, during the wet season. The articulated trucks are contracted out due to variable demand. Ore and waste production rates are monitored, and material reconciliation are carried out continuously for the pit areas in production.

Production, drilling and blasting operations are contracted out separately and conducted on 5m benches. A half bench height (flitch) of 2.5m is mined in ore to achieve a higher degree of selectivity in loading and hauling operations. The highly weathered zone (clays and laterites) and transitional zone with a density below 2.0t/m^3 are amenable to free digging. Emulsion is used in both wet and dry blasting for efficiency.

Grade control drilling is carried out by a drilling contractor and the samples are tested in the onsite laboratory. Sampling commences with grade control drilling ahead of the mining front, aimed at providing more detailed information on the orebody to assist the short to medium term mine planning process. Grade control is based on 138mm diameter RC drilling using a pattern of 12.5m x 6m for 36m deep holes (30m vertical) and sampling 1.0m vertical sampling intervals. The holes are angled 50° to 55° from the hanging wall side of the ore zones to provide a good intersection with the mineralised structures.

The mine is in the transition phase of owner mining to contract mining which is planned to be completed in 2021. This includes the sale of the HME which will form part of this transition. This equipment and Group owned parts will be transferred to the new mining contractor along

with the Vendor Managed Inventory ("**VMI**") Contract which is currently managed by the Komatsu dealer BIA. The component changeout schedule for the assets have been issued for each piece of equipment and transferred with the scheduled hours as per the tender documents. The contractor will then take responsibility for the component changeouts as per their maintenance strategy which is issued to the Group for review to ensure the risk to production is minimised. The contractor will also interview and assess all mining and maintenance personnel for potential to transfer across as part of the contractor workforce which will minimise disruption during the transition phase.

Historical mining from 2015 through 2020 records a total of 55.0Mt of material mined which has significantly increased from 6.1Mt in 2016 through to 23.5Mt in 2020. Total ore mined to 31 December 2020 is reported at 18.4Mt grading 1.52g/tAu at an average stripping ratio of 2.0t_{waste}:t_{ore}.

The current LoMp assumes mining of a total of 241.7Mt of material at a rate which remains range bound between 22Mtpa and 26Mtpa. Total Ore Reserves mined from ten open pits are reported at 47.5Mt grading 1.69g/tAu at an average stripping ratio of 4.1t_{waste}:t_{ore}. Mining operations are planned to continue from 2021 through to 2030 at which point the current Ore Reserves are depleted.

6.4.1 Historical Performance

Analysis of historical production (Table 6-13) to date indicates that mining operations have substantially increased since 2015. Similarly, the total mined ore has also increased significantly and reached a maximum of 8.6Mt of ore grading 1.28g/tAu at a stripping ratio of 1.7t_{waste}:t_{ore}. During this period Ity Gold Mine has mined and depleted three open pits (Zia, Tontouo and Ity Flat) and two historical low grade and sulphide dumps. Production in calendar 2020 was sourced from 8 separate open pit and dump groupings (Ity, Bakatouo, Heap Dump, Verse Ouest, Aires Dump, Colline Sud, Walter and Daapleu). During 2020, four of the operating open pits (Ity, Bakatouo, Colline Sud and Daapleu) contributed 83% of total material mined, 69% of ore mined and 75% of all contained gold mined (Table 6-14).

Operating expenditures for 2020 indicated an average of US$3.38/$t_{mined}$ with direct mining expenditures contributing US$2.95/$t_{mined}$ and the balance reflecting fleet maintenance.

The key focus for mining operations comprise: smooth transition to contract owner operations; in respect of the Le Plaque pit establishment to limit the impact of any delays in completion of CSR; to ensure that all earthworks relating to the river diversions are completed prior to the rainy season so that budgeted mining can be achieved as planned in 2021; reconciliation from declared ore mine to resource model reconciliation indicates an ongoing issue with ore loss and dilution attributed to blast movement, inclement weather and wet ore, excessive rehandle and limited model estimate variance.

Table 6-13: Ity Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	54,985	686	6,102	6,647	4,028	14,053	23,469
Waste	(kt)	36,583	311	4,916	5,237	2,901	8,320	14,898
Capitalised	(kt)	7,429			1,169	-	2,349	3,911
Operating	(kt)	29,155	311	4,916	4,068	2,901	5,970	10,988
Ore	(kt)	18,402	375	1,186	1,410	1,127	5,733	8,571
	(g/tAu)	1.52	2.10	2.09	1.77	2.61	1.46	1.28
	(koz)	901	25	80	80	94	269	352
Stripping Ratio	(t_{waste}:t_{ore})	2.0	0.8	4.1	3.7	2.6	1.5	1.7
Opex								
Mining	(US$m)	156.61	0.89	16.22	14.28	19.63	36.34	69.25
Maintenance	(US$m)	34.52		1.88	7.03	6.03	9.44	10.14
Total	**(US$m)**	**191.13**	**0.89**	**18.10**	**21.31**	**25.66**	**45.78**	**79.39**
Mining	(US$/t)	2.85	1.30	2.66	2.15	4.87	2.59	2.95
Maintenance	(US$/t)	0.63	-	0.31	1.06	1.50	0.67	0.43
Total	**(US$/t)**	**3.48**	**1.30**	**2.97**	**3.21**	**6.37**	**3.26**	**3.38**

Table 6-14: Ity Gold Mine: historical mining statistics for 2019 and 2020

Deposit	Total Mined (kt)	Ore (kt)	(g/tAu)	Stripping Ratio (t_{waste}:t_{ore})
2020				
Ity	5,345	515	0.99	9.4
Bakatouo	4,562	1,841	1.47	1.5
Heap Dump	1,776	918	1.15	0.9
Verse Ouest	780	586	1.11	0.3
Aires Dump	916	819	1.02	0.1
Colline Sud	1,462	611	1.14	1.4
Walter	585	309	0.64	0.9
Daapleu	8,042	2,973	1.44	1.7
Total	**23,469**	**8,571**	**1.28**	**1.7**
2019				
Ity	4,027	1,001	1.89	3.0
Bakatouo	3,662	1,444	1.39	1.5
Heap Dump	1,024	922	1.29	0.1
Verse Ouest	334	308	0.98	0.1
Daapleu	5,006	2,058	1.45	1.4
Total	**14,053**	**5,733**	**1.46**	**1.5**

6.4.2 Mine Design, Planning and Scheduling

At the Ity Gold Mine all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 2.5m (Z) dimensions. Dilution is applied on the basis of (1+dilution%) and ore loss applied to both diluted tonnage and gold content on the basis of (1-loss%) (Table 6-15). The current Ore Reserves are reported assuming a mill feed cut-off grade determined based on a suite of deposit specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates within each deposit and allow for adjustments for high and low copper content (Table 6-16).

The mining costs are initially determined assuming application of a range of mining related operating expenditures (Table 6-17) which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs are based on the specific determinations per weathering type within each deposit and also include an assumed process plant sustaining cost for capital replacement of US$1.45/t.

The resulting unit operating costs as derived from the block models are as reflected in Table 6-18 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting mill feed cut-off grades assume a long-term gold price of US$1,300/oz a royalty determination of 3.50% and selling cost assumptions of US$9.10/oz, as presented in Table 6-19 below and range from a low of 0.40g/tAu to a high of 0.90g/tAu.

Table 6-15: Ity Gold Mine: assumed modifying factors

Deposit	Diluted Ore Loss			In-Situ Dilution			Metallurgical Recovery[1]		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Ity	10.0	10.0	10.0	11.0	11.0	11.0	93.70	82.80	92.90
Walter	10.0	10.0	10.0	11.0	11.0	11.0	90.50	95.80	91.40
Zia NE	5.0	5.0	5.0	-	-	-	91.76	96.20	96.20
Verse Ouest	10.0	10.0	10.0	11.0	11.0	11.0	91.00	95.30	90.70
Daapleu	10.0	10.0	10.0	11.0	11.0	11.0	94.11	59.25	59.25
Gbeitouo	5.0	5.0	5.0	-	-	-	90.90	84.70	81.00
Aires Leach Pads	10.0	10.0	10.0	11.0	11.0	11.0	91.00	95.30	90.70
Bakatouo	5.0	5.0	5.0	11.0	11.0	11.0	92.00	92.00	92.00
Colline Sud	10.0	10.0	10.0	11.0	11.0	11.0	90.70	82.40	87.50
Le Plaque	5.0	5.0	5.0	-	-	-	95.40	93.70	90.70
Stockpiles	-	-	-	-	-	-	91.00	94.00	33.44

[1] Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 6-16: Ity Gold Mine: assumed metallurgical recoveries

Deposit	Oxide		Trn		Fresh		Recovery		
	High Cu (%)	Low Cu (%)	High Cu (%)	Low Cu (%)	High Cu (%)	Low Cu (%)	Oxide (%)	Trn (%)	Fresh (%)
Ity	77.92	93.70	82.83	82.83	92.86	92.86	93.70	82.80	92.90
Walter	90.50	90.50	95.80	95.80	91.40	91.40	90.50	95.80	91.40
Zia NE	91.76	91.76	96.20	96.20	96.20	96.20	91.76	96.20	96.20
Verse Ouest	92.55	92.55	95.26	95.26	33.44	33.44	91.00	95.30	90.70
Daapleu	94.11	94.11	59.25	59.25	59.25	59.25	94.11	59.25	59.25
Gbeitouo	90.90	90.90	84.70	84.70	81.00	81.00	90.90	84.70	81.00
Aires Leach Pads	92.55	92.55	95.26	95.26	33.44	33.44	91.00	95.30	90.70

Deposit	Oxide		Trn		Fresh		Recovery		
	High Cu (%)	Low Cu (%)	High Cu (%)	Low Cu (%)	High Cu (%)	Low Cu (%)	Oxide (%)	Trn (%)	Fresh (%)
Colline Sud	92.00	92.00	92.00	92.00	92.00	92.00	92.00	92.00	92.00
Bakatouo	78.59	90.70	82.37	82.37	87.50	87.50	90.70	82.40	87.50
Le Plaque	95.40	95.40	93.70	93.70	90.70	90.70	95.40	93.70	90.70
Heap2	91.00	91.00	94.00	94.00	33.44	33.44	91.00	94.00	33.44

Table 6-17: Ity Gold Mine: assumed mining cost inputs

Deposit	Waste Mining			Ore Diff+GC+Re+OH Mining			s/p	OVH
	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	(US$/t)	(US$/t)
Ity	0.82	2.41	2.81	1.27	2.41	2.81	0.47	-
Walter	0.90	2.15	2.26	1.62	2.15	2.26	0.47	-
Zia NE	1.13	2.48	2.63	0.84	2.48	2.63	0.47	-
Verse Ouest	-	1.83	-	-	1.83	-	0.47	-
Daapleu	1.17	2.39	2.24	0.84	2.39	2.24	0.47	1.02
Gbeitouo	0.67	1.96	2.04	1.10	1.96	2.04	0.47	1.02
Aires Leach Pads	-	1.83	-	-	1.83	-	0.47	-
Colline Sud	1.10	2.36	2.43	1.16	2.36	2.43	0.47	-
Bakatouo	1.10	1.08	2.58	0.66	1.08	2.58	0.47	-
Le Plaque	1.09	2.30	2.45	1.19	2.30	2.45	0.47	1.33
Heap2	-	1.83	-	-	1.83	-	0.47	-

Table 6-18: Ity Gold Mine: assumed operating cost inputs (cut-off-grade)

Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Ity	3.67	18.64	18.00	17.57	5.87	24.51	23.87	23.44	28.18	27.54	27.11
Walter	3.30	16.19	15.65	15.22	5.87	22.06	21.52	21.09	25.37	24.83	24.40
Zia NE	2.62	14.62	14.13	13.59	5.87	20.49	20.00	19.46	23.11	22.63	22.08
Verse Ouest	2.48	17.54	16.62	17.84	5.87	23.41	22.49	23.71	25.89	24.96	26.18
Daapleu	3.41	15.12	17.30	16.96	5.87	20.99	23.17	22.83	24.40	26.58	26.24
Gbeitouo	2.97	16.05	15.49	15.12	5.87	21.92	21.36	20.99	24.90	24.33	23.96
Aires Leach Pads	2.48	17.54	16.62	17.84	5.87	23.41	22.49	23.71	25.89	24.96	26.18
Bakatouo	3.76	16.31	27.94	17.56	5.87	22.18	33.81	23.43	25.94	37.57	27.19
Colline Sud	2.83	18.58	18.05	17.64	5.87	24.45	23.92	23.51	27.28	26.74	26.34
Le Plaque	3.08	18.82	18.24	17.84	5.87	24.69	24.11	23.71	27.77	27.19	26.79
Stockpiles	0.47	17.54	16.62	17.84	5.87	23.41	22.49	23.71	23.88	22.95	24.17

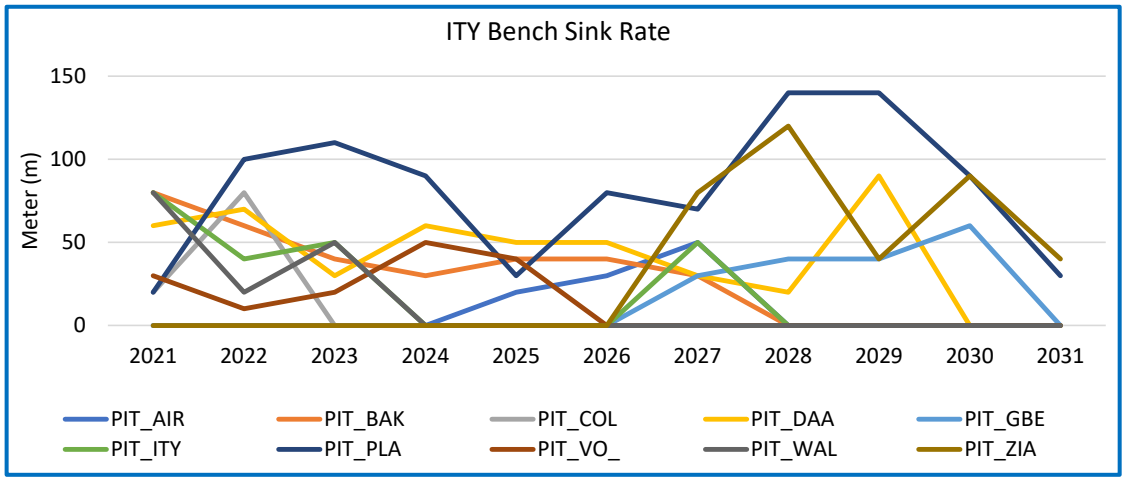
Table 6-19: Ity Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
Ity	0.50	0.50	0.58
Walter	0.40	0.40	0.46
Zia NE	0.41	0.39	0.50
Verse Ouest	0.40	n/a	n/a
Daapleu	0.46	0.83	0.83
Gbeitouo	0.49	0.52	0.59
Aires Leach Pads	0.40	n/a	n/a
Bakatouo	0.54	0.90	0.58
Colline Sud	0.50	0.52	0.60
Le Plaque	0.50	0.47	0.56

Mining operations are planned in accordance with efficiencies which are modified to account for the seasonal variation in operating conditions where the use of availability ranges from 67.0% to 84.0% for excavators and trucks. Standby assumptions range from 8.3% to 13.9% and rain stoppage from 0.70% to 21.7%. Furthermore, excavator hourly productivities are also varied appropriately for each weathering type for both ore and waste and incorporated as constraints into the scheduling assumptions.

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at Ity Gold Mine, open pit sink rates are generally less than the recommended 80m to 100m range with only Le Plaque open pit and Zia NE open pit exceeding this for one to two-year periods over the current LoMp depletion schedule.

Figure 6-8: Ity Gold Mine: open pit sink rate assessment



6.4.3 Hydrology and Dewatering

Ity Gold Mine falls within an equatorial-type transition climate with a rainy season from April to October and a dry season from November to March. The total annual precipitation for the site varies between 1,431mm to 2,312mm, with mean annual precipitation ("**MAP**") of 1,744mm. Average monthly potential evapotranspiration ranges between 94mm/month and 128mm/month, with an annual potential evaporation of around 1,324mm.

The geology of the pits comprises laterites or alluvium at surface, underlain by saprolites then weathered bedrock over fresh bedrock. The bedrock is characterised by a metamorphic series of granodiorite intrusions in a sequence of northeast-southwest striking tuffaceous, basic to acidic, volcanosedimentary sequence and carbonates. This sequence is intersected by mafic intrusives that resulted in contact metamorphism. Groundwater occurs in the alluvium, laterites, saprolite, karstic features and fractured bedrock.

Surface water management for the general site and the open pits is critical given that these encroach the nearby Cavally River which acts as a primary source of recharge. In addition, there exist a number of pit lakes in historically mined pits which are also used for storage.

Bakatouo

Bakatouo open pit is partially enclosed by the Cavally River, which is the primary source of recharge. The Cavally River encroaches the pit wall (as close as 30m) as it meanders. The river water level fluctuates by 7m from March to October each year. Dewatering is achieved through a combination of boreholes, weep holes, sumps and trenches which dewater in excess of 3.0Mm^3 per annum through a combination of boreholes (30%) and sump pumps (70%). To improve pit floor conditions, a plan is underway to drill in-pit boreholes (4) into compartmentalised water-bearing karstic units, close open sections of pit crest berms (to prevent floodplain water inflow into the pit) and dig larger capacity sumps, based on the pit catchment yield and seepage bypass. Diversions of the Cavally River have been approved in two locations to support ongoing mining of the Bakatouo and Walter pits, the first of which on the Walter Pit side was completed in May 2020, whilst the second diversion on the Bakatouo Pit side commenced in late 2020 for completion by May 2021. In addition to the river diversions, substantial flood protection bunds are installed.

Daapleu

The Cavally River was diverted to access and mine Daapleu open pit. The 3km meander from the bridge to Daapleu open pit has been partially backfilled, and the floodplain raised from 260RL to 265RL with a spillway at 236RL, to improve water management. The Cavally River

and surrounding wetlands still act as recharge sources to the pit. The water-bearing units at the Daapleu open pit are associated with dolerite intrusion, which has been targeted by dewatering boreholes. The eastern wall is low yielding and drained through a series of 15 weep holes each 30m deep. Whilst overall water make at the Daapleu pit is relatively low (0.5Mm^{3}pa), the current LoMp requires action to improve the control of surface water and runoff, minimise the head in adjacent wetlands, and target more doleritic intrusions as the pit expands into subsequent staged pushbacks.

Open Pit Lakes

There are four open pit lakes: Walter, Zia, Tontouo and Ity Main:

- Walter open pit lake has a capacity of 1.2Mm^3 (65% full) which is sufficient to accommodate runoff from the dumps and old leach pads situated in the immediate vicinity. Water is generally used for dust suppression with any excess pumped directly to the Cavally River as it meets environmental discharge standards;
- Tontouo open pit lake has a capacity of 01.Mm^3 (12% full) and whilst there is no active pumping, a decline in the pit water level (up to 3m of drawdown) is associated with pumping at the Walter open pit;
- Zia open pit lake with a capacity of 0.8Mm^3 (23%) is being managed to control seepage water into Bakatouo west and provides capacity for runoff from surrounding RoM pads. The pit lake is equipped with two submersible pumps, and the water is pumped to the marsh at the Bakatouo WRD. The water is discharged to a lined pond which overflows into a natural canal to a wetland; and
- Ity Main open pit lake has a maximum storage capacity of 2.7Mm^3 (19% full). Due to planned cut-backs, a staged approach dewatering plan is nearing completion to pump access water out before mining commences.

6.4.4 Mining Geotechnics

Mining geotechnical designs are generally based on various independent geotechnical investigation reports completed for the majority of the open pits for which Ore Reserves are presently reported. Owing to the presence of weak saprolite material, high rainfall environment and proximity to water courses in certain instances, pit slope stability will remain a key focus for maintaining continuous safe operations. Furthermore, there are a number of design outcomes which do not necessarily align with the latest geotechnical report recommendations (Table 6-28). Accordingly, the designs as presented require further technical work to support deviations from the current recommendations as outlined below.

Slope monitoring comprises daily field inspections for each mining location which is supplemented by manual surveying of set prisms once a week. As mining progresses deeper, the mine intends to install 24-h prism slope monitoring equipment. Given the fact that all slope designs have assumed depressurised slopes, this is a critical aspect to ensure that the geotechnical design criteria can be achieved, especially given the thick saprolite intersections, deep weathering profiles and proximity of some pit slopes to the Cavally River.

Ity Open Pit

The open pit is generally formed within saprolite and rock and the pit design IRA in saprolite generally honours the geotechnical report design angle IRA which is based on depressurised slope assumptions (Table 6-20). There are significantly thick sections of saprolite and slope depressurisation and understanding of remnant structures will be critical to ensure stable conditions. The hangingwall rock slope honours design recommendations although the footwall

IRA is 2° too steep and the bench face angle potentially 10° too steep in oxide (saprolite) which may result in some local instability.

A passive dewatering through system is applied through sump pumping. Some preferential blasting of areas is assumed to enhance permeability and the partially (top third) depressurised slopes to improve slope stability is assumed through good water management and control.

Table 6-20: Ity Open Pit geotechnical design assumptions

Item	Western Domain				Eastern Domain			
	Laterite	Oxide	Trans	Fresh	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	55.0	70.0	50.0	50.0	55.0	65.0
Bench Height (m)	4	10	10	15	4	10	10	15
Berm Width (m)	4	7	5.5	6	4	7	5.5	8
Inter Ramp Angle (°)	28.5	33.0	38.7	52.6	28.5	33.0	38.7	45.0

Walter Open Pit

The open pit is generally formed within saprolite and the designed pit IRA appears to be a little below the geotechnical report design angle IRA which assumes depressurised slopes (Table 6-21). Dewatering/depressurisation plans are not sufficiently developed, and it is likely that these will be informed by experience at Bakatouo open pit. The river diversion has enabled access to start mining and installation of further dewatering bores. Depressurisation of the saprolite will likely be extremely challenging during the wet season, where transient pore water pressures should be considered in slope stability analyses.

Table 6-21: Walter Open Pit geotechnical design assumptions

Item	Western Domain				Eastern Domain			
	Laterite	Oxide	Trans	Fresh	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	55.0	70.0	50.0	50.0	55.0	55.0
Bench Height (m)	4	10	10	15	4	10	10	15
Berm Width (m)	4	7	5.5	6	4	7	5.5	6
Inter Ramp Angle (°)	28.5	33.0	38.7	52.6	28.5	33.0	38.7	42.3

Bakatouo Open Pit

The open pit is generally formed within saprolite and rock and the designed pit IRA appears to be a little below the recommended IRA included in the geotechnical design report (Table 6-22). The geotechnical design assumes depressurised slopes and deep weathering sections and complex geology may lead to localised slope issues. The Cavally River diversion is underway and will be completed in May 2021 which will assist depressurisation of the saprolite particularly during the wet season, where transient pore water pressures should be considered in slope stability analyses. 10 active shallow wells and 4 active deep wells have been installed, with 4 additional deep wells planned in future years.

Table 6-22: Bakatouo Open Pit geotechnical design assumptions

Item	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	55.0	70.0
Bench Height (m)	4	10	10	20
Berm Width (m)	4	7	5.5	7
Inter Ramp Angle (°)	28.5	33.0	38.7	54.5

Daapleu Open Pit

The open pit is generally formed within saprolite and rock and the designed pit IRA in saprolite is steeper than geotechnical design recommendations whilst the rock IRA honours the geotechnical report design angle IRA (Table 6-23). The geotechnical design is based on depressurised slopes. The IRA in the rock is very steep given lack of structural information and analysis and steep IRA could lead to significant stability issues from undercutting foliation and major structure in the footwall slope (southeast slope). A review of the footwall wall angles is underway, particularly in respect to bedding planes which may result in further redesign of the pit, though will be undertaken following additional resource drilling for potential depth extensions to the pit.

Table 6-23: Daapleu Open Pit geotechnical design assumptions

Item	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	60.0	75.0
Bench Height (m)	5	10	20	10
Berm Width (m)	3	5	7	5
Inter Ramp Angle (°)	34.8	36.7	47.2	58.3

Gbeitouo Open Pit

The open pit is generally formed within saprolite and rock and the designed pit IRA in saprolite honours the geotechnical design angle, whilst in fresh rock the design looks to be at the upper end of the geotechnical design IRA which assumes depressurised slopes (Table 6-24). Deep weathering sections and complex geology may lead to localised slope issues and the IRA for rock is moderately steep given the lack of structural information and analysis. Slope stability analyses supporting slope designs assume dry slopes, however there is limited technical data to demonstrate how this is to be achieved. The pit is only planned to commence in 2027.

Table 6-24: Gbeitouo Open Pit geotechnical design assumptions

Item	Western Domain				Eastern Domain			
	Laterite	Oxide	Trans	Fresh	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	55.0	70.0	50.0	50.0	55.0	55.0
Bench Height (m)	4	10	10	15	4	10	10	15
Berm Width (m)	4	7	5.5	6	4	7	5.5	6
Inter Ramp Angle (°)	28.5	33.0	38.7	52.6	28.5	33.0	38.7	42.3

Zia NE Open Pit

The open pit is generally formed within saprolite with minor section of transition/rock material at the toe and the design pit IRA in saprolite generally honours the geotechnical report design angle IRA which assumes depressurised slopes (Table 6-25). Significantly thick sections of saprolite is present in the design and both slope depressurisation and understanding of remnant structures will be critical to attain the desired slope stability. Slope stability analyses supporting slope designs assume dry slopes, however there is limited technical data to demonstrate how this is to be achieved, however the pit is planned to commence in 2027.

Table 6-25: Zia NE Open Pit geotechnical design assumptions

Item	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	55.0	70.0
Bench Height (m)	4	10	10	15
Berm Width (m)	4	7	5.5	6
Inter Ramp Angle (°)	28.5	33.0	38.7	52.6

Le Plaque Open Pit

The open pit is generally formed within saprolite and rock formations and the design pit honours the geotechnical design criteria which assumes depressurised conditions (Table 6-26). The dewatering/depressurisation design as reported in the Le Plaque Pre-Feasibility Study ("**Le Plaque PFS**") was for 11 total active dewatering wells and drilling of an unspecified number of drain holes and three wells were drilled and tested as part of this study and this pit is planned to commence operations in late 2021. With the completion of the river diversion, stage 2 of the pit will commence in 2021.

Table 6-26: Le Plaque Open Pit geotechnical design assumptions

Item	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	50.0	75.0
Bench Height (m)	5	5	10	20
Berm Width (m)	3	4.5	9	10.8
Inter Ramp Angle (°)	34.8	30.0	30.0	51.1

Colline Sud

This is a relatively small open pit and is generally formed within saprolite and rock formations. No specific geotechnical design report is available, however the pit slope angles broadly aligned with other operations which generally assume depressurised conditions (Table 6-27) and stage 1 of the open pit has already been mined.

Table 6-27: Colline Sud Open Pit geotechnical design assumptions

Item	Laterite	Oxide	Trans	Fresh
Bench Face Angle (°)	50.0	50.0	55.0	70.0
Bench Height (m)	4	10	10	15
Berm Width (m)	4	7	5.5	6
Inter Ramp Angle (°)	28.5	33.0	38.7	52.6

Table 6-28: Ity Gold Mine: geotechnical and hydrogeological design considerations

Open Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
Ity	Peter O'Bryan & Associates. September 2016.	~ Sap IRA (°)	33	~Sap Thickness (m)	90
				~ Sap IRA (°)	33
		~ Rock IRA (°)	52.6 (NW) - 42.3 (SE)	~ Rock Thickness (m)	110 (northwest) - 120 (southeast)
				~ Rock IRA (°)	53 (northwest) - 45 (southeast)
	Dewatering/depressurisation			Slopes assumed dry	Partially
				Dewatering wells	None
				Drain holes	None
	Open Pit Design Summary			~Overall Slope Angle (°)	53.5 (northwest) – 33.3 (southeast)
				~Maximum Elevation	305mRL
				~Minimum Elevation	97mRL
				~Max Depth	192m
Walter	Peter O'Bryan & Associates. September 2016.	~ Sap IRA (°)	33	~Sap Thickness (m)	70
				~ Sap IRA (°)	31
		~ Rock IRA (°)	42-53	~ Rock Thickness (m)	No rock slope in reserve pit
				~ Rock IRA (°)	
	Dewatering/depressurisation			Unknown	
	Open Pit Design Summary			~Overall Slope Angle (°)	30.1(southeast)
				~Maximum Elevation	285mRL
				~Minimum Elevation	195mRL
				~Max Depth	75m
Bakatouo	Peter O'Bryan & Associates. September 2016.	~ Sap IRA (°)	35.3	~Sap Thickness (m)	55
				~ Sap IRA (°)	29
		~ Rock IRA (°)	58.3	~ Rock Thickness (m)	115
				~ Rock IRA (°)	55
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	21
				Drain holes	16
	Open Pit Design Summary			~Overall Slope Angle (°)	36.0 (southeast)
				~Maximum Elevation	260mRL
				~Minimum Elevation	110mRL
				~Max Depth	160 m
Daapleu	Peter O'Bryan & Associates. September 2016.	~ Sap IRA (°)	35.3	~Sap Thickness (m)	50
				~ Sap IRA (°)	37
		~ Rock IRA (°)	58.3	~ Rock Thickness (m)	195
				~ Rock IRA (°)	58
	Dewatering/depressurisation			Slopes assumed dry?	Yes
				Dewatering wells?	22
				Drain holes?	15
	Open Pit Design Summary			~Overall Slope Angle (°)	45.3 (northwest) – 46.2 (southeast)
				~Maximum Elevation	280mRL
				~Minimum Elevation	20mRL
				~Max Depth	250m
Gbeitouo	Peter O'Bryan & Associates. September 2016.	~ Sap IRA (°)	33	~Sap Thickness (m)	87
				~ Sap IRA (°)	32
		~ Rock IRA (°)	42.3-52.6	~ Rock Thickness (m)	86
				~ Rock IRA (°)	52
	Dewatering/depressurisation			Unknown	
	Open Pit Design Summary			~Overall Slope Angle (°)	42.9 (northwest) – 31.0 (southeast)
				~Maximum Elevation	272mRL
				~Minimum Elevation	160mRL
				~Max Depth	112m
Zia NE	Peter O'Bryan & Associates. September 2016.	~ Sap IRA (°)	33	~Sap Thickness (m)	143
				~ Sap IRA (°)	28-32
		~ Rock IRA (°)	52.6	~ Rock Thickness (m)	Minor section at toe
				~ Rock IRA (°)	
	Dewatering/depressurisation			Unknown	
	Open Pit Design Summary			~Overall Slope Angle (°)	35.0 (northwest) – 28.8 (southeast)
				~Maximum Elevation	340mRL
				~Minimum Elevation	140mRL
				~Max Depth	150m
Le Plaque	Golder Associates. July 2020.	~ Sap IRA (°)	30	~Sap Thickness (m)	37-60
				~ Sap IRA (°)	30
		~ Rock IRA (°)	51.1	~ Rock Thickness (m)	80-120
				~ Rock IRA (°)	51.1
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	3 existing
				Drain holes	Planned
	Open Pit Design Summary			~Overall Slope Angle (°)	43.5 (northeast) – 47.9 (southeast)
				~Maximum Elevation	300mRL
				~Minimum Elevation	120mRL
				~Max Depth	160m
Colline Sud	No GT data collection, analysis or report available	~ Sap IRA (°)	33	~Sap Thickness (m)	73
				~ Sap IRA (°)	32
		~ Rock IRA (°)	52.6	~ Rock Thickness (m)	No rock slope in reserve pit
				~ Rock IRA (°)	
	Dewatering/depressurisation			Unknown	

Open Pit	GT Information	GT Design Criteria	Reserve Pit Design Criteria	
	Open Pit Design Summary		~Overall Slope Angle (°)	30.0 (northwest) - 35.5 (southeast)
			~Maximum Elevation	290mRL
			~Minimum Elevation	215mRL
			~Max Depth	160m

6.4.5 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Ity Gold Mine (Table 6-29) includes 53.9Mt grading 1.58g/tAu and containing 2.7MozAu and comprising:

- Proved Ore Reserves of 10.2Mt grading 0.95g/tAu and containing 312kozAu; and
- Probable Ore Reserves of 43.7Mt grading 1.73g/tAu and containing 2.4MozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 21.3Mt grading 1.13g/tAu; transitional material of 5.4Mt grading 1.88g/tAu and fresh material of 27.2Mt grading 1.88g/tAu. Ore Reserves reporting to stockpiles comprise a total of 6.4Mt grading 0.78g/tAu containing 160kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as 'open-pit' and reported within engineered designs as referenced herein.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 0.40g/tAu to 0.60g/tAu with the exception of Daapleu Transitional and Fresh ores (0.83g/tAu) and high copper content ores such as Bakatouo Transitional (0.90g/tAu).

Table 6-30 presents a summary of the Ore Reserves to gold price sensitivity which compares the current Ore Reserves with the results of raw pit optimisations (measured and indicated categories only) with increasing gold price. In summary it is clear that at higher gold prices, increased mining inventory potential is dependent on conversion/upgrading of material currently classified in the inferred category as reflected by the current Mineral Resource statement reported at a gold price of US$1,500/ozAu. Currently Inferred Mineral Resources report 17.9Mt grading 1.32g/tAu for a total contained metal of 0.8MozAu. Furthermore, the current pit design supporting the Ore Reserves also includes a total of 2.9Mt grading 1.39g/tAu and containing 129kozAu which reports to the inferred category but is for the purpose of the LoMp schedule included as waste material.

Table 6-29: Ity Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Mont Ity/Flat/Walter o/p	1,474	1.78	85	662	1.78	38	416	1.90	25	396	1.67	21
Verse Ouest/Teck o/p	1,829	0.90	53	1,829	0.90	53	-	-	-	-	-	-
Aires Leach Pads	517	0.86	14	517	0.86	14	-	-	-	-	-	-
Stockpile	6,397	0.78	160	4,074	0.71	94	72	0.93	2	2,251	0.89	64
Subtotal	**10,217**	**0.95**	**312**	**7,082**	**0.87**	**199**	**488**	**1.76**	**28**	**2,647**	**1.00**	**85**
Probable												
Mont Ity/Flat/Walter o/p	4,668	1.86	279	722	1.76	41	1,683	2.16	117	2,262	1.66	121
Zia NE o/p	5,445	1.17	205	2,928	1.20	113	1,822	1.11	65	695	1.19	27
Verse Ouest/Teck o/p	4,608	0.94	139	4,608	0.94	139	-	-	-	-	-	-
Daapleu o/p	9,610	1.95	601	326	0.98	10	164	1.46	8	9,120	1.99	583
Gbeitouo o/p	2,246	1.43	103	838	1.42	38	59	1.37	3	1,348	1.43	62
Aires Leach Pads	2,277	1.05	77	2,277	1.05	77	-	-	-	-	-	-
Bakatouo o/p	6,563	2.22	468	492	2.16	34	599	3.38	65	5,471	2.10	369
Collin Sud o/p	224	2.07	15	180	2.09	12	43	1.78	2	1	10.41	0
Le Plaque o/p	8,029	2.12	547	1,840	1.83	108	578	2.19	41	5,611	2.20	398
Subtotal	**43,670**	**1.73**	**2,433**	**14,212**	**1.25**	**573**	**4,948**	**1.89**	**301**	**24,509**	**1.98**	**1,560**
Ore Reserves												
Mont Ity/Flat/Walter o/p	6,142	1.84	363	1,384	1.77	79	2,100	2.11	143	2,658	1.66	142

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Zia NE o/p	5,445	1.17	205	2,928	1.20	113	1,822	1.11	65	695	1.19	27
Verse Ouest/Teck o/p	6,438	0.93	192	6,438	0.93	192	-	-	-	-	-	-
Daapleu o/p	9,610	1.95	601	326	0.98	10	164	1.46	8	9,120	1.99	583
Gbeitouo o/p	2,246	1.43	103	838	1.42	38	59	1.37	3	1,348	1.43	62
Aires Leach Pads	2,794	1.02	92	2,794	1.02	92	-	-	-	-	-	-
Bakatouo o/p	6,563	2.22	468	492	2.16	34	599	3.38	65	5,471	2.10	369
Collin Sud o/p	224	2.07	15	180	2.09	12	43	1.78	2	1	10.41	0
Le Plaque o/p	8,029	2.12	547	1,840	1.83	108	578	2.19	41	5,611	2.20	398
Stockpile	6,397	0.78	160	4,074	0.71	94	72	0.93	2	2,251	0.89	64
Total	**53,887**	**1.58**	**2,745**	**21,294**	**1.13**	**772**	**5,437**	**1.88**	**328**	**27,156**	**1.88**	**1,645**

Table 6-30: Ity Gold Mine: mining Inventory gold price sensitivity analysis as at 31 December 2020[(1)]

Gold Price (US$/oz)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
1,300	53,887	1.58	2,745
1,400	54,924	1.57	2,765
1,500	58,202	1.51	2,827

(1) Note that the mining inventory reported at a gold price of US$1,300/oz reflects the current Ore Reserves as reported herein and that for the higher price assumptions these reflect the material reporting within raw optimisation shells which have not been subject to detailed engineering pit designs.

6.4.6 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance CIM Definition Standards. Furthermore, it should also be noted that the historical statements (prior to 2019) have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 6-31 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted are: an overall reduction of 399koz which compares with total mining depletion of 352kozAu. This is however net of a significant increase (24%) in contained metal at the Le Plaque deposit. Ore Reserves were reported within designed shells assuming a gold price of US$1,250/oz for 2017 and 2018 and US$1,300/oz for 2019 and 2020.

Table 6-32 presents a total Ore Reserve comparison between historical reporting periods for Ity Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated additions of 28Mt grading 1.66g/tAu for a total of 1.5Moz despite depletion of 18Mt grading 1.51g/tAu for a total of 0.9Moz. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Ity Gold Mine over the reporting period considered.

Table 6-31: Ity Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
Mont Ity/Flat/Walter o/p	1,474	1.78	85	(405)	0.15	(14)	1,879	1.64	99
Verse Ouest - Teckraie o/p	1,829	0.90	53	(760)	(0.09)	(30)	2,590	0.99	83
Aires Leach Pads o/p	517	0.86	14	(486)	(0.13)	(18)	1,003	0.99	32
Stockpile	6,397	0.78	160	2,442	(0.05)	55	3,955	0.82	105
Subtotal	**10,217**	**0.95**	**312**	**790**	**(0.10)**	**(6)**	**9,427**	**1.05**	**318**
Probable									
Mont Ity/Flat/Walter o/p	4,668	1.86	279	(973)	0.07	(45)	5,641	1.78	323
Zia NE o/p	5,445	1.17	205	(914)	0.08	(18)	6,359	1.09	223
Verse Ouest - Teckraie o/p	4,608	0.94	139	(882)	(0.10)	(44)	5,491	1.04	183
Daapleu o/p	9,610	1.95	601	(6,348)	0.23	(279)	15,958	1.71	880
Gbeitouo o/p	2,246	1.43	103	(384)	0.14	(6)	2,630	1.29	109
Aires Leach Pads o/p	2,277	1.05	77	(606)	(0.12)	(32)	2,883	1.18	109
Bakatouo o/p	6,563	2.22	468	(1,210)	(0.02)	(92)	7,773	2.24	560
Collin Sud o/p	224	2.07	15	(226)	0.44	(9)	450	1.64	24
Le Plaque o/p	8,029	2.12	547	2,521	(0.23)	131	5,508	2.34	415
Subtotal	**43,670**	**1.73**	**2,433**	**(9,023)**	**0.07**	**(392)**	**52,692**	**1.67**	**2,825**
Ore Reserves									
Mont Ity/Flat/Walter o/p	6,142	1.84	363	(1,379)	0.09	(59)	7,520	1.75	422
Zia NE o/p	5,445	1.17	205	(914)	0.08	(18)	6,359	1.09	223
Verse Ouest - Teckraie o/p	6,438	0.93	192	(1,643)	(0.09)	(73)	8,080	1.02	266
Daapleu o/p	9,610	1.95	601	(6,348)	0.23	(279)	15,958	1.71	880
Gbeitouo o/p	2,246	1.43	103	(384)	0.14	(6)	2,630	1.29	109

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Aires Leach Pads o/p	2,794	1.02	92	(1,092)	(0.11)	(50)	3,887	1.13	141
Bakatouo o/p	6,563	2.22	468	(1,210)	(0.02)	(92)	7,773	2.24	560
Collin Sud o/p	224	2.07	15	(226)	0.44	(9)	450	1.64	24
Le Plaque o/p	8,029	2.12	547	2,521	(0.23)	131	5,508	2.34	415
Stockpile	6,397	0.78	160	2,442	(0.05)	55	3,955	0.82	105
Total	**53,887**	**1.58**	**2,745**	**(8,233)**	**0.01**	**(399)**	**62,120**	**1.57**	**3,144**

Table 6-32: Ity Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	43,899	1.50	2,123	1,186	2.10	80
2017	58,887	1.59	3,016	1,410	1.77	80
2018	60,797	1.55	3,039	1,127	2.61	95
2019	62,120	1.57	3,144	5,733	1.46	269
2020	53,887	1.58	2,745	8,571	1.28	352
Period	**2016 - Less depletion**			**2016 Depleted Variance**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	42,713	1.49	2,043	1,186	0.02	80
2017	41,303	1.48	1,962	17,584	0.11	1,053
2018	40,176	1.45	1,868	20,621	0.11	1,171
2019	34,443	1.44	1,599	27,677	0.13	1,545
2020	25,872	1.50	1,247	28,015	0.09	1,498

6.4.7 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2030 with total material mined of 214.5Mt and comprising open pit ore of 47.49Mt grading 1.69g/tAu at an average stripping ratio of 4.1t_{waste}:t_{ore} (Table 6-34). Oxide material contributes some 33.4% of total material mined with transitional and fresh material contributing 12.0% and 54.6% respectively. Mining production in 2021 is projected from seven open pits (Figure 6-9) reducing to four pits in 2024 and largely remaining at this level for the majority of the LoMp other than for the last year of production (2031) which reduces to two open pits.

Total mined material is planned to remain range bound in the 23Mt to 26Mt range, peaking in 2026 and thereafter reducing to 24Mt in 2030 and 1.3Mt in calendar 2031. Ore tonnage mined generally remains range bound between 4.0Mtpa and 5.5Mtpa which is significantly less than the maximum ore tonnage mined per year to date of 8.3Mt. From 2021 through 2025 the proportion of oxide material mined generally ranges between 45% and 55% and reduces significantly thereafter as the proportion of fresh ore mined increases (>65%) specifically in 2026, 2027 and 2029. RoM grades remain generally range bound between 1.5g/tAu and 1.9g/tAu and generally varying in response to contributions from specific deposits and weathering type.

Individual weathering ore types within each deposit are ascribed different cut off grades, however the mining schedule is largely driven by grade categories: high grade ("**HG**") for all ore greater than 2.5g/tAu; medium grade ("**MG**") for all ore greater than 1.5g/t; low grade ("**LG**") which cut-off grades align with the individual mill cut-off grades; and marginal ores ("**MO**") for which the cut-off grades align with the individual mill cut-off grades but with the G&A costs reduced by 40%.

Accordingly, the stockpiling strategy assumes the development of four grade categories which are managed at both satellite RoM and Ity CIL Plant RoM pads. Table 6-36 presents a summary by deposit of the ore grade categories which indicate that HG and MG together contribute 35% of the tonnage and 65% of the contained gold mined with, LG contributing 21% of the tonnage and 15% of the contained gold mine. and the marginal grade ore representing 44% of the tonnage and 20% of the contained gold mined. Stockpile management over the LoMp indicates that total stockpile volumes remain at less than 6.6Mtpa with the marginal grade ore stockpiles contributing the majority of this by measure of both tonnage and gold content.

Mining operating expenditures per deposit are reported in Table 6-37 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$3.43/$t_{mined}$ with expenditures being generally range bound between US$3.20/$t_{mined}$ and US$3.60/$t_{mined}$ over the period.

Table 6-33: Ity Gold Mine: open pit and leach pad LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
Ity	19,125	4,169	14,956	3.59	5.4	25.2	69.4
Bakatouo	32,710	6,563	26,147	3.98	11.7	12.2	76.1
Daapleu	43,670	9,610	34,060	3.54	6.9	5.3	87.8
Verse Ouest	6,928	6,438	490	0.08	100.0	-	-
Zia NE	28,244	5,445	22,799	4.19	64.6	22.9	12.4
Gbeitouo	10,768	2,246	8,522	3.79	49.4	2.8	47.8
Walter	8,473	1,972	6,500	3.30	54.7	27.3	17.9
Aires Leach Pads	4,382	2,794	1,588	0.57	100.0	-	-
Le Plaque	86,308	8,029	78,280	9.75	37.5	10.0	52.5
Colline Sud	922	224	698	3.12	85.9	13.4	0.8
Total	**241,530**	**47,490**	**194,040**	**4.09**	**33.4**	**12.0**	**54.6**
SMI	100,784	27,605	73,178	2.65	39.6	17.6	42.8
SMD	54,438	11,856	42,582	3.59	15.3	4.8	79.9
SMF	86,308	8,029	78,280	9.75	37.5	10.0	52.5
Total	**241,530**	**47,490**	**194,040**	**4.09**	**33.4**	**12.0**	**54.6**

Table 6-34: Ity Gold Mine: open pit deposits and leach pad LoMp ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ity	4,169	2.02	271
Bakatouo	6,563	2.22	468
Daapleu	9,610	1.95	601
Verse Ouest	6,438	0.93	192
Zia NE	5,445	1.17	205
Gbeitouo	2,246	1.43	103
Walter	1,972	1.45	92
Aires Leach Pads	2,794	1.02	92
Le Plaque	8,029	2.12	547
Colline Sud	224	2.07	15
Total	**47,490**	**1.69**	**2,585**
SMI	27,605	1.50	1,335
SMD	11,856	1.85	704
SMF	8,029	2.12	547
Total	**47,490**	**1.69**	**2,585**

Table 6-35: Ity Gold Mine: open pit and leach pad mining start and depletion periods

Deposit	Start	End
Ity	2021	2027
Bakatouo	2021	2027
Daapleu	2021	2029
Verse Ouest	2021	2025
Zia NE	2027	2031
Gbeitouo	2027	2030
Walter	2021	2023
Aires Leach Pads	2025	2027
Le Plaque	2021	2031
Colline Sud	2021	2022
Total	**2021**	**2031**

Table 6-36: Ity Gold Mine: Ore grade category contributions

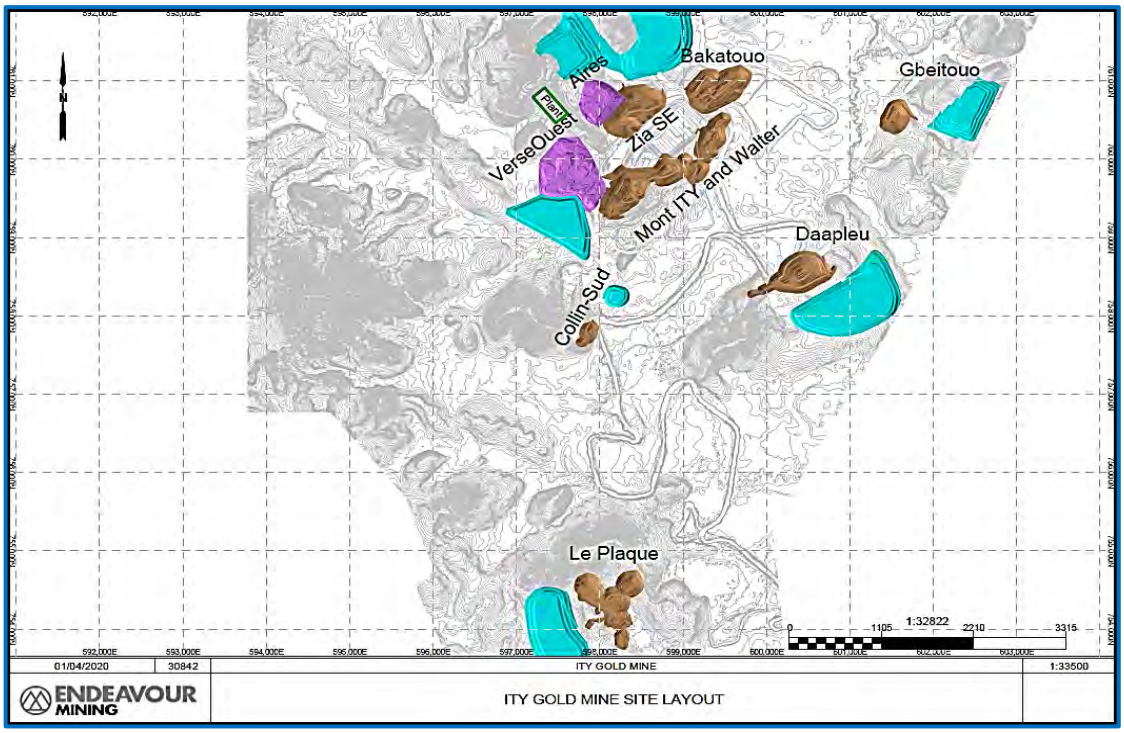
Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ity	953	4.73	145	875	1.93	54	788	1.23	31	1,553	0.82	41
Bakatouo	1,820	4.69	274	1,480	1.93	92	893	1.30	37	2,370	0.85	65
Daapleu	1,921	4.43	274	2,302	1.90	141	1,728	1.32	73	3,660	0.97	114
Verse Ouest	26	3.24	3	464	1.75	26	2,211	1.11	79	3,737	0.70	84
Zia NE	448	4.18	60	638	1.90	39	1,069	1.16	40	3,289	0.62	65
Gbeitouo	245	3.29	26	533	1.89	32	456	1.25	18	1,012	0.81	26
Walter	238	4.60	35	299	1.90	18	438	1.17	16	998	0.69	22
Aires	66	3.08	7	326	1.89	20	903	1.13	33	1,499	0.67	32
Le Plaque	2,025	4.61	300	1,904	1.93	118	1,392	1.25	56	2,707	0.83	72
Colline Sud	44	5.64	8	46	1.89	3	73	1.17	3	61	0.74	1
Total	**7,785**	**4.52**	**1,131**	**8,867**	**1.91**	**544**	**9,951**	**1.21**	**387**	**20,887**	**0.78**	**523**
SMI	3,594	4.60	532	4,127	1.90	252	6,376	1.17	240	13,508	0.72	311
SMD	2,165	4.30	299	2,835	1.90	173	2,183	1.30	91	4,672	0.93	140
SMF	2,025	4.61	300	1,904	1.93	118	1,392	1.25	56	2,707	0.83	72
Total	**7,785**	**4.52**	**1,131**	**8,867**	**1.91**	**544**	**9,951**	**1.21**	**387**	**20,887**	**0.78**	**523**

Table 6-37: Ity Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Ity	19,125	3.99	77.4
Bakatouo	32,710	3.76	127.9
Daapleu	43,670	3.76	164.4

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Verse Ouest	6,928	3.90	27.0
Zia NE	28,244	3.02	83.4
Gbeitouo	10,768	3.29	36.4
Walter	8,473	3.64	31.0
Aires	4,382	2.86	12.5
Leplaque	86,308	3.14	272.9
Colline Sud	922	3.40	3.2
Total	**241,530**	**3.43**	**836.1**
SMI	100,784	3.55	362.4
SMD	54,438	3.67	200.8
SMF	86,308	3.14	272.9
Total	**241,530**	**3.43**	**836.1**

Figure 6-9: Ity Gold Mine site layout



6.5 Mineral Processing

Operating processing facilities at the Ity Gold Mine comprises the Ity CIL Plant which commenced construction in September 2017 with the first gold pour recorded on 18 March 2019. Historical production prior to this period was from a HLF which was decommissioned and dismantled in 2019.

Following commissioning of the 4.0Mtpa CIL plant in April 2019, the Company commenced on an optimisation and de-bottlenecking programme to increase plant throughput by approximately 25% to 5.0Mtpa. During scheduled maintenance downtime, a number of key components were improved including variable speed drives for the primary apron feeder, vibrating grizzly, and lime screw feeder, tailings pumping and decant return, high pressure gland water supply, and a second 50t capacity oxygen plant. No upgrades were conducted on the CIL circuit to increase residence time, nor the elution and electro-winning circuit. For the 12-month period ended 31 December 2019, the Ity CIL Plant processed a total of 5.30Mt which exceeds the expanded 5.0Mtpa design capacity. During 2020, the Group has also completed additional studies to further increase throughput to 5.6Mtpa and the current LoMp has assumed an increased throughput of 5.6Mtpa which is assumed to be maintained for the remainder of the LoMp.

In order to address soluble gold losses due to the increased throughput and reduced CIL tanks residence time, the Group has approved and is currently constructing a pre-leach tank plus additional oxygen spargers at a cost of US$8.0m which will increase residence time from 18

hours to 21 hours and will enable a 2% increase in gold recovery. It is noted that there is still some leaching of gold occurring up to 24 hours though with diminishing returns compared to the first 3-hour increment gained with the pre-leach tank. This will be subject to further review post the commissioning of the pre-leach tank in Q1 2022.

Furthermore, a new project (the "**ReCYN Project**") is currently in the engineering phase to recover and recycle free cyanide from the tailing stream, back to the CIL. ReCYN is a specialist technology developed by PT Green Gold Technology ("**GGT**"), which facilitates recovery of cyanide and dissolved metals (copper) from precious metal plant process streams. The process is based on the use of a functionalized resin bead, pre-treated to allow the dual duty of recovering free and complexed cyanide ions from solution with a high degree of efficiency. To date limited bench scale testwork has been completed, however initial indications suggest that when considering metallurgical performance in 2020 where 9.2kozAu is lost to solution. Consideration of the ReCYN project indicates that some 70% of the amount lost to solution can be recovered by the ReCYN process which indicates a potential metallurgical recovery increase of up to 2.4%. Some of these losses will be recovered through the commissioning of the pre-leach tank, though the main benefit for the ReCYN Project will be the recovery of cyanide resulting in much lower cyanide consumption and reduced WADCN in the tailings discharge.

6.5.1 Process Plant Feed

The Ity CIL Plant processes oxide, transition and fresh ore with variable ore characteristics, gold grades and metallurgical treatment requirements. The primary (fresh) ores are significantly more competent than the transitional and oxide ores and typically exhibit lower recoveries although specific mineralogy including the presence of cyanide soluble copper and silver also influences metallurgical plant efficiencies and recoveries.

Furthermore, plant throughput is influenced by the contribution to total feed tonnage of the various weathering types with the current increased throughput of 5.6Mt based on an assumed blend of 60% (primary + transitional) and 40% oxide feed. Ore feed blend also influences power consumption owing to the variable hardness. Additionally, the gold tenor and mineralogy also influences consumption of key reagents and recovery.

Testwork results indicated that Daapleu primary ore contains significant arsenopyrite and a standard cyanide leach will only extract 60% to 65% of contained gold across the full grade range of ore. Processing trials conducted in November 2019 and February 2020 indicated that low grade (<1.2g/t) primary ore can achieve a recovery of 76%. Further trials and testwork however indicated that this was not sustainable and as such Ity Gold Mine has assumed a long-term metallurgical recovery of approximately 60% for both transitional and fresh ores.

Planned metallurgical recovery assumptions are largely based on a combination of site test work and third party testwork completed in 2017 and as part of the Ity Gold Mine CIL FS. The analysis applies metallurgical recoveries which vary by deposit, weathering type (oxide, transitional and fresh). Metallurgical testwork for the Le Plaque deposit was completed in 2019 and 2020 which indicate that this ore exhibits good recovery characteristics as tabled below. Oxide ore recoveries are further modified in accordance with assumed copper grades reflecting ores as either high copper or low copper categories.

6.5.2 Flowsheet

The current flowsheet (Figure 6-10) is based on a conventional comminution-CIL-electrowinning and smelting circuit to facilitate processing of oxide, transitional and fresh ores to produce gold in doré form. The process plant comprises: a comminution circuit including single stage primary crusher and two stage SAG and ball mills operating in close circuit with a

pebble crusher and hydrocyclones; gravity concentration for removal of coarse gold from the milling circuit recirculating load and treatment of gravity concentrate by intensive cyanidation and electrowinning to recover gold to doré; pre-leach thickener to increase the slurry density to the CIL circuit to increase residence time, improve slurry mixing characteristics and reduce overall reagent consumption; a CIL circuit incorporating eight (8) CIL tanks containing carbon for gold and silver adsorption; eighteen tonne capacity split Anglo ("**AARL**") elution circuit, electrowinning and gold smelting to recover gold and silver from the loaded carbon to produce doré; tailings treatment incorporating cyanide destruction using sodium metabisulphate and oxygen, followed by arsenic precipitation and stabilisation; and tailings pumping to the TSF.

Crushing circuit mechanical availability is assumed to be 80% with mechanical availability of the remainder of the process plant assumed at 91.3%. The automated plant control is considered appropriate and sufficient to minimise the need for continuous operator intervention, only allowing manual override and control if and when required.

Tailings treatment comprises a combination of cyanide destruction and arsenic precipitation. Ity Gold Mine is committed to meeting or exceeding the ICMC requirements in the medium term and a SO_2/oxygen cyanide destruction circuit was installed to meet this requirement. The SO_2/oxygen destruction circuit is designed to reduce the WADCN in the slurry discharged from the CIL circuit prior to pumping to the TSF. The cyanide destruction circuit consists of two tanks providing 1.6 hours residence time. Underflow from the CIL circuit carbon safety screen and the cold cyanide copper wash from elution gravitate to the cyanide destruction circuit. Copper sulphate and sodium metabisulphite ("**SMBS**") solutions are added to provide the required copper and sulphur dioxide for the cyanide destruction process. Oxygen from the VPSA plant is sparged down the shafts of the cyanide destruction agitators to provide oxygen to the slurry. Caustic solution can be added to maintain a slurry pH 8.0 to 9.0.

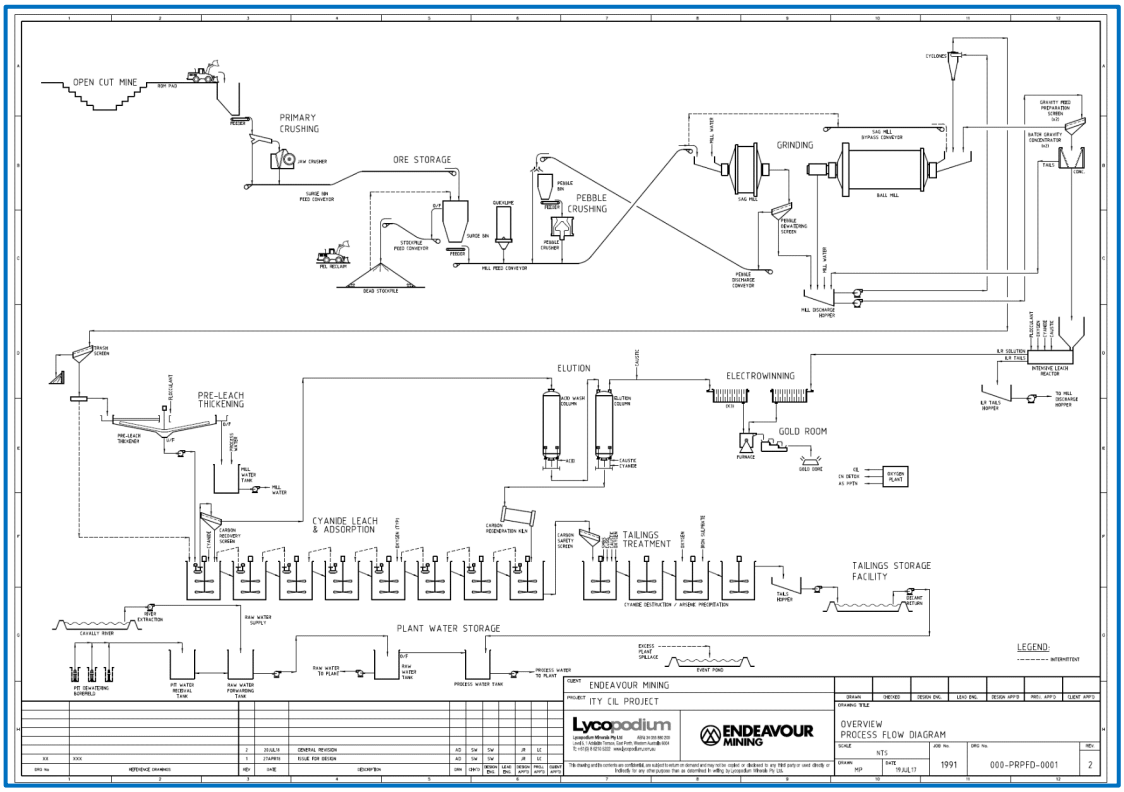
The ReCYN is currently in the engineering phase to recover and recycle free cyanide from the tailing stream, back to the CIL. ReCYN is a specialist technology, which facilitates recovery of cyanide and dissolved metals (copper) from precious metal plant process streams.

This project is also being scoped to produce a saleable copper product and to reduce WADCN levels to below 50mg/L without the addition of chemicals such as SMBS. The capital expenditure associated with this project is estimated at US$29.5m and is planned for construction in 2022 and commissioned in 2023. This is however based on a preliminary estimate and additional engineering work is required to confirm this estimate and to assess the potential impact of COVID-19 to the implementation schedule.

Some ores contain soluble arsenic which is treated and stabilised before discharge to the TSF. The arsenic precipitation and stabilisation reaction involves the use of ferrous sulphate to facilitate a rapid reaction in a single tank with 45 minutes residence time. Discharge from the cyanide destruction circuit gravitates to the arsenic precipitation circuit where ferrous sulphate and sulphuric acid is added in the presence of oxygen and the arsenic in solution is oxidised to ferric arsenate.

Ity Gold Mine is in the process of installing or considering a number of process improvement projects in 2021 including: installation of a '*Mill Expert Control*' system planned in 2021; installation of the '*Historian*' software for Supervisory Control and Data Acquisition ("**SCADA**") system; installation of a pre-leach tank to increase residence time to accommodate for the increased throughput to 5.3Mtpa and optimisation of the pebble crusher through modification of the SAG mill discharge trommel grate size; and completion of the detailed design for the ReCYN Project.

Figure 6-10: Ity CIL Plant: simplified flowsheet



6.5.3 Historical Performance

Analysis of historical performance to date indicates that both treated ore and gold production has increased significantly since acquisition in 2015 and since commissioning of the Ity CIL Plant in 2019. Performance for calendar 2020 reports a total of 5.35Mt milled grading 1.57g/tAu with metallurgical recovery of 78.6% to produce 213kozAu. Process plant availability is reported at 92.0% with utilisation of 92.3% and hourly throughput of 717t. Operating expenditures for 2020 indicated a total of US$12.73/$t_{milled}$ with direct processing contributing US$12.00/$t_{milled}$ and the balance reflecting maintenance related expenditures. Analysis of produced doré in 2020 indicates a silver to gold production ratio of 1.23Ag:Au. Ore moisture is reported at 17.9%. Plant feed grades reported 1.57g/tAu, 5.45g/tAg, 947ppmCu and 834ppmAs. CIL tails reported 0.32g/tAu, 3.57g/tAg, 1,056ppmCu and 833ppmAs.

As at 31 December 2020 the gold-in-circuit and finished goods are reported at 4kozAu and 12kozAu respectively reflecting a total of 27 days of current production.

Process related risks identified to date include:

- Higher than budgeted cyanide soluble copper increasing cyanide consumption. Further work is required to address assaying for input to and interpolation within the grade control model;
- Premature mill gearbox and mill motor failure. Improvements are required to address gearbox reliability and to establish alternative options for replacement; and
- In comparison to the milling rate the lower crusher throughput than planned is a limitation and whilst short term options are being considered the long-term strategy is to proceed with the primary crusher expansion project to reduce reliance on supplementary feed production.

Table 6-38: Ity HLF and CIL Plant: historical operating statistics(1)

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Ore	(kt)	12,790	71	1,173	1,194	1,307	3,693	5,353
	(g/tAu)	1.84	2.39	2.16	1.85	2.49	1.88	1.57
	(kozAu)	756	5	82	71	104	223	271
Recovery	(%)	83.5	104.3	93.1	83.0	81.2	86.6	78.6
Recovered	(kozAu)	632	6	76	59	85	192	215
Produced	(kozAu)	631	6	76	59	85	193	213
Sold	(kozAu)	622	8	73	60	85	188	208
Gold in Circuit	(kozAu)	17			5	7	1	4
Finished Goods	(kozAu)	22			2	2	7	12
Efficiency								
Availability	(%)					81.3	93.2	92.0
Utilisation	(%)					74.9	90.3	92.3
Throughput	(%)					247	595	717
Opex								
Processing	(US$m)	156.2	1.65	16.23	14.94	16.27	42.83	64.25
Maintenance	(US$m)	14.7		1.53	2.83	3.29	3.14	3.86
Total	**(US$m)**	**170.8**	**1.65**	**17.76**	**17.77**	**19.57**	**45.96**	**68.12**
Processing	(US$/t)	12.21	23.28	13.83	12.51	12.45	11.60	12.00
Maintenance	(US$/t)	1.15	-	1.31	2.37	2.52	0.85	0.72
Total	**(US$/t)**	**13.36**	**23.28**	**15.14**	**14.88**	**14.97**	**12.45**	**12.73**

(1) ITY CIL Plant was commissioned in March 2019 and the HLF was decommissioned in 2019.

6.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput of 5.3Mtpa from 2021 through 2022 and thereafter increasing to 5.6Mtpa and remaining at this level through to 2029 and to 4.0Mtpa in 2030 on depletion of the current Ore Reserves. Total ore processed (Table 6-39) is reported at 53.9Mt grading 1.58g/tAu with weathering type (Table 6-41) ores contribution by tonnage reported at 39.5%, 10.1% and 50.4% for oxide, transitional and fresh ores. The weighted average metallurgical recovery projected over the LoMp is estimated at 84.6% (Table 6-42) with recoveries for oxide, transitional and fresh ores reporting 93.3%, 89.2% and 79.5% respectively.

Over the period the proportion of oxide ores reduces below the design threshold of 42% from 2026 onwards with certain years reducing to below 30% with the exception of 2028. Accordingly there remains a risk that the planned ore throughput in this period remains challenging and further work will be required to consider the impact of the specific deposit ore feed hardness on mill throughput and to consider a combination of strategic alternatives including rescheduling of the ore feed blend through stockpile management and/or reducing the overall feed planned during this period. Over the LoMp period metallurgical recoveries are assumed to continue to range between 76% and 96% with the lower recoveries reflecting processing of ore from the Daapleu open pit.

Operating expenditures are derived based on deposit specific assumptions which vary by deposit and in certain instances by weathering type as reported in Table 6-43. The weighted average LoMp processing costs is forecasted at US$12.65/$t_{milled}$ and generally remains range bound between US$12.00/$t_{milled}$ and US$13.60/$t_{milled}$ through to 2030.

Table 6-39: Ity CIL Plant: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ity	4,169	2.02	271	1,976	0.65	41	6,146	1.58	312
Bakatouo	6,563	2.22	468	1,077	0.83	29	7,640	2.02	497
Daapleu	9,610	1.95	601	2,440	0.89	69	12,050	1.73	671
Verse Ouest	6,438	0.93	192	40	1.00	1	6,478	0.93	194
Zia NE	5,445	1.17	205	-	-	-	5,445	1.17	205
Gbeitouo	2,246	1.43	103	-	-	-	2,246	1.43	103
Walter	1,972	1.45	92	-	-	-	1,972	1.45	92
Aires Heap Leach Pads	2,794	1.02	92	2	0.65	0	2,797	1.02	92
Heap2	-	-	-	33	1.07	1	33	1.07	1
Leplaque	8,029	2.12	547	-	-	-	8,029	2.12	547
Colline Sud	224	2.07	15	133	0.66	3	357	1.54	18
SP	-	-	-	695	0.68	15	695	0.68	15
Total	**47,490**	**1.69**	**2,585**	**6,397**	**0.78**	**160**	**53,887**	**1.58**	**2,745**
SMI	27,605	1.50	1,335	3,957	0.71	90	31,563	1.40	1,425
SMD	11,856	1.85	704	2,440	0.89	69	14,295	1.68	773
SMF	8,029	2.12	547	-	-	-	8,029	2.12	547
Total	**47,490**	**1.69**	**2,585**	**6,397**	**0.78**	**160**	**53,887**	**1.58**	**2,745**

Table 6-40: Ity CIL Plant: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ity	6,146	1.58	312	2,462	0.96	76	1,418	2.43	111	2,265	1.73	126
Bakatouo	7,640	2.02	497	1,190	1.42	54	671	3.11	67	5,779	2.02	376
Daapleu	12,050	1.73	671	828	0.84	22	182	1.63	10	11,040	1.80	639
Verse Ouest	6,478	0.93	194	6,478	0.93	194	-	-	-	-	-	-
Zia NE	5,445	1.17	205	2,928	1.20	113	1,822	1.11	65	695	1.19	27
Gbeitouo	2,246	1.43	103	838	1.42	38	59	1.37	3	1,348	1.43	62
Walter	1,972	1.45	92	889	1.52	44	682	1.46	32	401	1.28	17
Aires HL Pads	2,797	1.02	92	2,797	1.02	92	-	-	-	-	-	-
Heap2	33	1.07	1	33	1.07	1	-	-	-	-	-	-
Le Plaque	8,029	2.12	547	1,840	1.83	108	578	2.19	41	5,611	2.20	398
Colline Sud	357	1.54	18	313	1.48	15	43	1.78	2	1	10.41	0
SP	695	0.68	15	695	0.68	15	-	-	-	-	-	-
Total	**53,887**	**1.58**	**2,745**	**21,292**	**1.13**	**772**	**5,455**	**1.88**	**330**	**27,141**	**1.88**	**1,643**
SMI	31,563	1.40	1,425	17,786	1.05	603	4,636	1.86	277	9,141	1.85	545
SMD	14,295	1.68	773	1,666	1.13	61	241	1.57	12	12,388	1.76	701
SMF	8,029	2.12	547	1,840	1.83	108	578	2.19	41	5,611	2.20	398
Total	**53,887**	**1.58**	**2,745**	**21,292**	**1.13**	**772**	**5,455**	**1.88**	**330**	**27,141**	**1.88**	**1,643**

Table 6-41: Ity CIL Plant: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
Ity	2,462	1,418	2,265	6,146	40.1	23.1	36.9
Bakatouo	1,190	671	5,779	7,640	15.6	8.8	75.6
Daapleu	828	182	11,040	12,050	6.9	1.5	91.6
Verse Ouest	6,478	-	-	6,478	100.0	-	-
Zia NE	2,928	1,822	695	5,445	53.8	33.5	12.8
Gbeitouo	838	59	1,348	2,246	37.3	2.6	60.0
Walter	889	682	401	1,972	45.1	34.6	20.4
Aires	2,797	-	-	2,797	100.0	-	-
Heap2	33	-	-	33	100.0	-	-
Le Plaque	1,840	578	5,611	8,029	22.9	7.2	69.9
Colline Sud	313	43	1	357	87.7	12.0	0.3
SP	695	-	-	695	100.0	-	-
Total	**21,292**	**5,455**	**27,141**	**53,887**	**39.5**	**10.1**	**50.4**
SMI	17,786	4,636	9,141	31,563	56.4	14.7	29.0
SMD	1,666	241	12,388	14,295	11.7	1.7	86.7
SMF	1,840	578	5,611	8,029	22.9	7.2	69.9
Total	**21,292**	**5,455**	**27,141**	**53,887**	**39.5**	**10.1**	**50.4**

Table 6-42: Ity CIL Plant: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
Ity	68	93	119	279	89.6	83.6	94.3	89.4
Bakatouo	47	57	337	441	86.3	84.1	89.8	88.7
Daapleu	19	6	386	411	86.7	60.3	60.4	61.3
Verse Ouest	183	-	-	183	94.4	-	-	94.4
Zia NE	107	65	27	198	94.8	99.6	99.8	97.0
Gbeitouo	36	2	52	90	93.6	87.2	83.4	87.3
Walter	40	31	15	86	91.5	97.4	92.8	93.8
Aires	86	-	-	86	94.0	-	-	94.0
Heap2	1	-	-	1	94.6	-	-	94.6
Le Plaque	105	39	371	515	97.2	96.1	93.3	94.3
Colline Sud	14	2	0	17	94.1	95.0	95.0	94.3
SP	14	-	-	14	94.9	-	-	94.9
Total	**720**	**295**	**1,307**	**2,321**	**93.3**	**89.2**	**79.5**	**84.6**
SMI	560	247	498	1,305	92.9	89.2	91.4	91.6
SMD	55	8	437	501	91.1	66.1	62.4	64.7
SMF	105	39	371	515	97.2	96.1	93.3	94.3
Total	**720**	**295**	**1,307**	**2,321**	**93.3**	**89.2**	**79.5**	**84.6**

Table 6-43: Ity CIL Plant: operating expenditures

Deposit	Processed (kt)	Opex (US$/t)	(US$m)
Ity	6,146	13.49	82.9
Bakatouo	7,640	13.95	106.6
Daapleu	12,050	12.77	153.8
Verse Ouest	6,478	12.37	80.1
Zia NE	5,445	9.98	54.4
Gbeitouo	2,246	11.27	25.3
Walter	1,972	11.38	22.5
Aires	2,797	12.37	34.6
Heap2	33	12.37	0.4
Le Plaque	8,029	13.49	108.3
Colline Sud	357	13.49	4.8
SP	695	11.66	8.1
Total	**53,887**	**12.65**	**681.9**
SMI	31,563	12.49	394.4
SMD	14,295	12.53	179.2
SMF	8,029	13.49	108.3
Total	**53,887**	**12.65**	**681.9**

6.6 Waste Management

Waste management at Ity Gold Mine is primarily focused on the TSF and the various existing and planned WRDs which service the Ity CIL Plant and open-pit mining operations respectively. Whilst the TSF is HDPE and clay lined, the current waste management facilities both with respect to operational, closure and post-closure considerations do not consider at present any detailed engineering consideration which may be required to address acid rock drainage and metal leaching potential. Accordingly, SRK notes that whilst sufficient operating physical capacity exists to deposit and store waste arisings from the Ity CIL Plant and the mining operations, post closure management has not yet been sufficiently advanced to rule out any further changes which may be required to address these items.

6.6.1 Tailings Storage Facility

The Ity TSF is located approximately 500m to the southwest of the Ity CIL Plant and was constructed as part of the Ity CIL Gold Project and commissioned on 8 April 2019. In accordance with the adopted reporting standard (ANCOLD) the TSF hazard categorisation of the facility based on consequence of failure is classified as High. Due to the location of the facility in a considerable high rainfall area (average >1.5mpa), accordingly water management is a key factor in maintaining TSF stability and safe operating conditions.

The current facility is a valley storage facility (Figure 6-11) which comprises four multi-zoned earth fill embankments which extends over an initial footprint (including the basin area) of approximately 80ha which over a 13-stage expansion extends from Stage 1 and Stage 2 (already constructed) to Stage 13 for a total design capacity of 65.4Mt with an assumed placed density of 1.3t/m^3. The eastern, southern and northern embankments comprises an upstream low permeability zone ("**Zone A**"), and a downstream structural fill zone ("**Zone C**") which is constructed from mine waste sourced from the open pits or nearby borrow pits. To 31 December 2020, the total placed dry tonnage is estimated at 9.0Mt which projects remaining capacity of 56.4Mt which is sufficient to store the projected arisings of 53.9Mt produced through processing of the current Ore Reserves reported at 1 January 2021 at a rate of 5.3Mtpa and increasing to 5.6Mtpa by 2023.

Figure 6-11: Ity Gold Mine Tailings Management Facility



The principal design and construction components of the TSF comprise: a 560mm HDPE tailings delivery pipeline; a 560mm HDPE tailings distribution pipeline and spigot system; embankments constructed with materials from the start-up earthworks to begin with then predominantly from mine waste; HDPE lining on the upstream slopes of embankments and the entire basin area; an upstream toe drain and system of under-liner finger drains in the TSF; a collection sump at toe of the south embankment where water is pumped to the supernatant pond via a submersible pump; an emergency spillway on the west side of the TSF; a leakage collection and recovery system ("**LCRS**") installed beneath the basin liner; decant towers controlling the supernatant pond; return water pump and pipeline (450m HDPE); monitoring instrumentation.

The original TSF was originally designed by KP who were also involved in the quality assurance and quality control activities throughout construction for both the original construction and subsequent raises. KP is also the appointed EOR and are responsible for annual safety audits which supplement the shift operational inspections and quarterly reports completed by Ity Gold Mine.

Tailings is discharged into the TSF by sub-aerial deposition methods, using a combination of spigots at regularly spaced intervals from the eastern, southern and western embankments of the TSF. After initial establishment of the tailings beaches, a suitable cycle time has been determined in order to evenly deposit the tailings around the TSF. Decant fluids are not suitable for release to the environment and are pumped back to the plant.

A decant tower has been constructed on the northern wall, close to the discharge line form the Ity CIL Plant. It comprises a 25MPa concrete base and 1.8m diameter slotted precast concrete pipe sections which are raised with each wall lift. The decant tower is surrounded by free-draining coarse rockfill.

A diversion channel was constructed upstream of the TSF to reduce the volume of water ponding upstream of the Northern embankment (and thereby reduce the amount of standing water in proximity to local settlements).

A preliminary dam break assessment was completed for the Ity TSF. Modelling indicated that significant settlements (Bietouo and Floleu) are not likely to be impacted in the event of a dam break, with only a small number of existing structures within any of the modelled impact zones. People at risk include permanent residences within the dam break catchment, road users as well as any mine staff completing works on the TSF. As it is difficult to know the frequency and number of people in the impacted area (particularly during operation), a People at Risk ("**PAR**") of 10 to 100 was assumed for the Ity TSF. The consequence category of the Ity project TSF is 'High C' (based on ANCOLD guidelines).

Table 6-44: Ity HLF and CIL Plant deposition

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Arisings	(kt)	12,790	71	1,173	1,194	1,307	3,693	5,353
	(g/tAu)	0.30	-	0.15	0.32	0.47	0.26	0.32
	(kozAu)	124	-	6	12	20	31	56
HLF[(1)]	(kt)	3,745	71	1,244	2,438	3,745	3,745	3,745
	(g/tAu)	0.31	-	0.14	0.23	0.31	0.31	0.31
	(kozAu)	37	-	6	18	37	37	37
TSF	(kt)	9,045	-	-	-	-	3,693	9,045
	(g/tAu)	0.30	-	-	-	-	0.26	0.30
	(kozAu)	87	-	-	-	-	31	87

(1) the material deposited onto the HLF has been remined and partly processed at the ITY CIL Plant. This material is therefore planned to be fully remined and reprocessed by 2027.

The original design for the Ity TSF was for a production rate of 4.0Mtpa and this has been progressively expanded to 5.4Mtpa (2020) with 5.6Mtpa assumed for 2023. The increase in tailings production effectively reduces the current TSF design life from 14 years at the original 4.0Mtpa to 10 years (at 5.6Mtpa) and increases the average tailings rise rate from 2.2mpa to

3.1mpa. The increase in tailings rise rate is considered acceptable for an HDPE lined, downstream constructed dam.

The increase in wall raise height per stage from the current 5.4Mtpa to the proposed 5.6Mtpa in 2023 is in the range of 0.2m to 1.1m, and this would result in an increase in mine waste volumes required in the embankments. The impact of the increase in throughput on deposition densities should be minimal if the supernatant pool volume is kept to a minimum. However, there is currently significant water stored on the TSF reducing tailings beach formation, reducing deposition density and impacting storage volume in the TSF.

With the ongoing success of the near mine exploration at Ity Gold Mine, the LoM tailings storage requirements will likely increase and areas adjacent to the current TSF will likely be mined limiting the potential to expand the existing TSF. A TSF capacity review and raise planning is underway. This will allow determination of the final capacity of the current TSF, and planning to establish a timeline for design, permitting and construction of the new TSF cell and any ancillary works (e.g. new site airstrip siting study and design). The time for design, permitting and construction of the new TSF cell is currently constrained and any increase in throughput will shorten the time available to transition to the new TSF cell.

The design for the next two to five years is contingent on the timing of specific key decisions including processing of the Verse Ouest ore stockpiles as currently assumed; the availability and delivery of mine waste for construction; development of the waste dump south of the TSF and adjacent to it; and future exploration activity in the vicinity of Verse Ouest stockpiles.

The Ity Gold Mine wide water balance is positive during the wet season with precipitation catchment exceeding evaporation and other water losses. This results in the accumulation of water in the pits, ponds and on the TSF. During the dry season, the site wide water balance is negative with evaporation and other water losses exceeding precipitation and run-off catchment. This results in the reduction in accumulated water in the pits, ponds and on the TSF over the dry season.

The annual average rainfall on site at Ity Gold Mine is approximately 1,800mm to 2,000mm and with more than 75% of the rainfall typically occurring during the wet season from May to October. The average annual pan evaporation is approximately 1,300mm to 1,400mm with the highest evaporation rates in the dry season from December to May. The stormwater run-off and catchment systems are designed to minimise inflow of run-off water to the pits and TSF such that the accumulation of water is a result of direct precipitation only.

As most CIL process plants require some “clean” water for the carbon elution process and some reagent mixing, the upper limit of use of TSF decant return water and pit water in the process plant is typically 75% to 90% of total water demand depending on the moisture of the incoming ore. Providing the annual evaporation and other water losses (typically water lock-up in tailings and water lost to seepage) exceed the annual precipitation and run-off catchment then the mine site is considered a net negative water balance and the mine should be able to operate without the need to treat and discharge compliant water to the environment.

However, at the Ity Gold Mine, water quality factors (specifically the high soluble copper levels in the TSF supernatant) significantly reduce the extent to which TSF supernatant can be re-used in the Ity CIL Plant without significantly impacting on process plant performance. Over the past 12 months, the return rate of TSF supernatant has been limited to an average of 73% with the remaining water demand made up of ore moisture (averaging 20% moisture) and raw water extracted from the Cavally River. This has resulted in a positive site water balance and led to an accumulation of 1.7Mm^3 of water on the TSF over the last 12-month period in a lower than average rainfall year.

High cyanide soluble copper levels in some Ity oxide ores (specially from the Bakatouo pit) has been identified as potentially problematic to the operation of the process plant with ore blending on the RoM Pad and an extensively oversized cyanide detoxification circuit implemented as the solutions. Neither of these solutions have proved to be effective and Group is containing the resulting accumulation of water in the short-term through larger wall raises on the TSF to maintain freeboard. However, this is not a longer-term solution and will lead to poor tailing deposition densities and loss of capacity in the TSF. The accumulation of water on the TSF is concerning at the current production rate and will be a greater concern at the proposed elevated production rate of 5.6Mtpa. The Group is currently evaluating several options for the suitable longer-term control of the water accumulation in the circuit.

There are no significant issues identified with either the site tailings or water management at Ity Gold Mine associated with the notional increase in process plant throughput from 5.0Mtpa to 5.6Mtpa, however there are a number of items that need to be addressed in order to ensure successful implementation of the revised TSF and water management strategy:

- It is likely that a new TSF cell will be required and the timing for design, permitting and construction is constrained and the increase in throughput to 5.6Mtpa will further shorten the time available to transition to the new TSF cell; and
- The accumulation of water on the TSF is concerning at the current production rate and the increase in throughput to 5.6Mtpa will increase the rate of accumulation unless addressed.

These items are well understood by Group and the necessary work is currently underway to identify the most appropriate actions and to implement these actions over the next 1 to 3 years to address the aforementioned concerns.

The key findings as outlined in the latest independent audit report noted the following observations:

- **Tailings Deposition:** as annual processing throughput has exceeded nameplate capacity with some 5.3Mtpa requiring deposition in 2020. The design percentage solids is noted at 37% to 41%, however actual percent solids is 35%. These changes have led to the supernatant pond being larger than the target maximum pond limits defined during design, although aerial images show it may be smaller than in 2019;
- **Water Management:** the importance of controlling the pond and facility water balance is key and specific recommendations have been made including: limiting the extent of the supernatant pond and maintained as small as practicable; increasing the water reclaim to recycle 75% to 85% of the water discharged into the TSF; and a thorough review of the TSF water balance monitoring methods; and
- **Cyanide Monitoring:** The reported WADCN values in the TSF are very high and are reported to be due to certain ores which include mineralisation with high soluble copper. WADCN discharge values to the TSF are generally around 300mg/l to 600mg/l, which is very high compared with the 50ppm required at spigot in current ICMC standards. Whilst it is recognised that cyanide is readily destroyed by sunlight the criteria are set so as to ensure that cyanide destruction can occur efficiently, that levels do not pose a danger to wildlife and to limit the impact should unplanned discharges from the facility occur.

6.6.2 Waste Rock Dumps

The total waste rock to be mined over the LoMp is estimated at 194.0Mt comprising 60.1Mt of oxidised material, 23.6Mt of transitional material and 104.8Mt of fresh (unweathered material). The mined material is planned to be stored in five dedicated waste rock dump facilities (Bakatouo; Daapleu; Gbeitouo; Ity; and Le Plaque) and two in-pit backfilling facilities at Walter

Pit and Bakatouo pit. The Bakatouo, Daapleu, Ity and Le Plaque WRDs are currently operational and deposition at the Gbeitouo WRD is planned in 2027. In pit backfilling operations are planned to commence in 2025 and 2027 at Walter Pit and Bakatouo Pit respectively. In-situ mined volumes are converted to loose cubic metres via appropriate bulking factors of 1.15, 1.20 and 1.30 for oxide, transitional and fresh waste rock respectively. Total waste material mined to date is estimated at 36.6Mt a portion of which was used in construction activities for the TSF. The current TSF LoMp construction requires an estimated 21Mm^3 of waste rock for construction of Zone C and the deposition inventory noted below does not reflect a reduction in material deposited at the WRD, accordingly the capacity closing balances are likely to be higher than the 14.2Mm^3 as reported in Table 6-45 below.

Table 6-45: Ity Gold Mine: LoMp Waste Rock Dump deposition

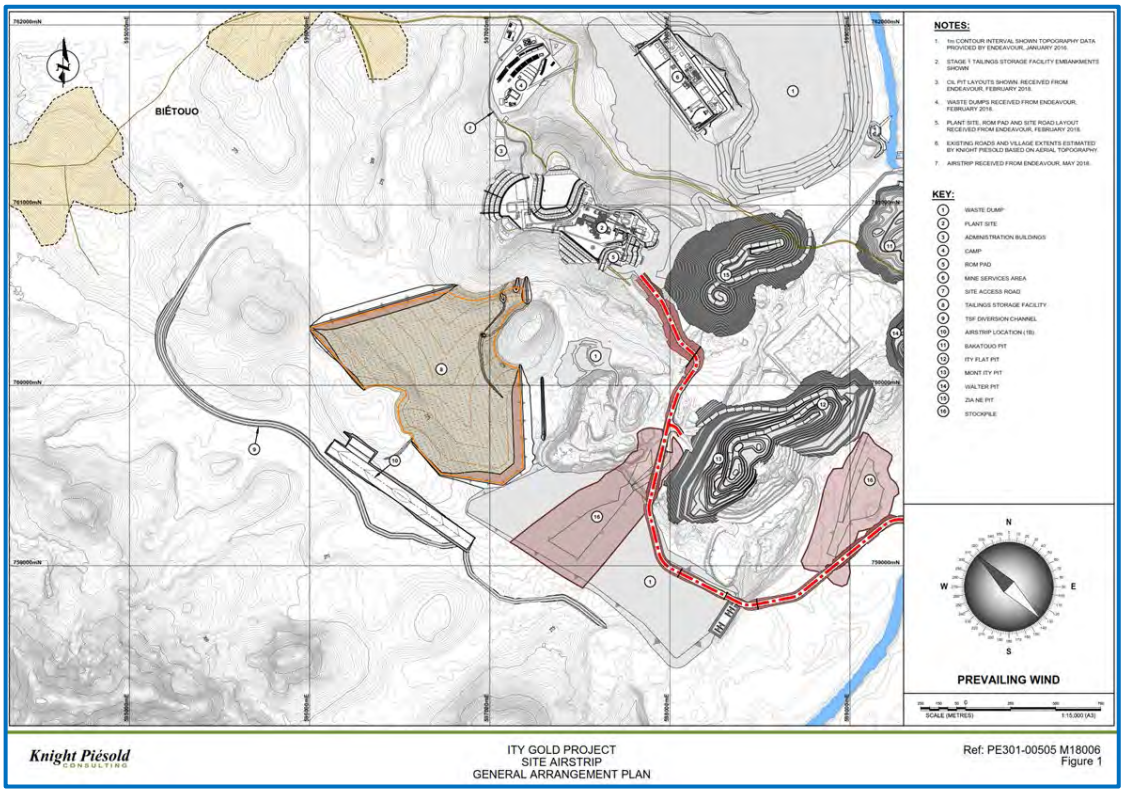
WRD	Capacity: Opening Balance (Mm^3)	LoMp Waste Rock (Loose) (Mm^3)	Capacity: Closing Balance (Mm^3)
Bakatouo	15.77	13.73	2.04
Daapleu	18.30	17.25	1.05
Gbeitouo	6.10	5.50	0.60
Ity	10.05	9.92	0.12
Le Plaque	56.10	45.78	10.33
Walter Pit BF	5.51	5.51	-
Bakatouo Pit BF	16.03	16.03	-
Total	**127.86**	**113.71**	**14.15**

6.7 Infrastructure

The overall site development plan (Figure 6-12) includes the mine site and associated infrastructure including the process plant, tailings storage facility, accommodation camp, roads, mine services area, mine open pit and mine waste dump.

The Ity CIL Plant and tailings storage facility are located on the north-western side of the open pits, just outside the 500m blast zone. The RoM pad location has been selected for its centralised location close to major pits, as well as proximity to the mine services area. The accommodation camp is located northwest of the process plant. The main access road approaches the site from the west and the layout provides easy access for personnel and material movements. The mining operations perimeter is fenced to prevent animal access and deter access by unauthorised persons. Monitored high security fencing surrounds the CIL process plant. Road access into the fenced area is through a manned checkpoint and security fencing surrounds the accommodation camp and general site infrastructure.

Figure 6-12: Ity CIL Gold Mine: general site layout



6.7.1 Access and Transportation

The main access road continues from the Ity village, with the site low security entrance gate approximately 1km to 2km from the centre of the village. High security access is a further 2km within the lease, adjacent to the process plant. All roads are laterite sealed and drainage installed to ensure low maintenance. The high annual rainfall and proximity to various water features requires access pathways to connect the mining, processing and waste management operations which are also designed to withstand high rainfall events (1 in 100-year recurrence intervals). A UNI BRIDGE haul road crossing (Haul Bridge) was constructed over the Cavally River, situated within the diversion channel upstream of the Daapleu Pit. The haul bridge comprised of a 25m superstructure placed on concrete reinforced retaining walls. Retaining walls are founded on CFA piles, ~15m in depth below the wall foundation. The haul bridge was designed for a 1 in 50-year storm event, with a floodway constructed away from the haul bridge crossing to accommodate flows from storm events up to 1 in 100-year recurrence interval. All other culvert crossings for the site haul roads were designed for a 1 in 20-year recurrence interval storm event and comprise generally of reinforced concrete pre-cast or box culverts for significant culvert crossing. A dividing wall on the Haul Bridge enables safe community access across the river via a dedicated laneway which is the only such crossing in the region.

A site airstrip was constructed directly west of the TSF, which has a 1,200m long and 30m wide runway and is designed to accommodate Pilatus PC-12 or equivalent aircraft. The prevailing wind direction of the Ity project site is northwest to southeast.

6.7.2 Power Supply and Distribution

Power for the mine is supplied via a 90kV single circuit lattice tower transmission overhead connection to the national grid at Danané, approximately 58km from the Ity CIL Plant. CI – ENERGIES owns the National Interconnected Transmission System ("**ITS**") in Côte d'Ivoire, and CIE manages the electricity generation and transmission network for the GoCDI.

Supply reliability is of between 90% and 98%. The connection supplies the main HV switch room inside the processing plant from which power is distributed. Backup power is available onsite from 16 Caterpillar high speed diesel generators with a total power rating of 21MW, providing 100% redundancy of power supply to the Ity CIL Plant.

6.7.3 Water Supply

Raw water is pumped from the Cavally River and pit dewatering bores to a surge tank ahead of a treatment plant. Water from this surge tank is pumped on demand to the plant raw water tank. The raw water tank has sufficient capacity to minimise the impact of short-term supply interruptions. Duty/stand-by water pumps are provided for the raw water distribution to the plant.

Filtered water for the process plant is produced by treating raw water in the filtered water treatment plant which consists of clarification through flocculant addition, sand filtration, carbon filtration and biocide dosing. Filtered water reports to the filtered water storage tank and is distributed to the plant as required using duty/stand-by filtered water pumps.

Filtered water is supplied to the plant potable water treatment plant which includes micro filtration, ultra-violet sterilization and chlorination. Potable water is stored in the plant potable water tank and is reticulated to the site ablutions, safety showers and other potable water outlets. Transfer pumps also feed water to a separate camp potable water tank for reticulation. Additional ultra-violet sterilization units are installed on outgoing potable water distribution headers.

Process water is pumped from the TSF decant to the plant process water tank. The plant process water consists of TSF decant return water and raw water tank overflow. The process water tank is located so that the raw water tank overflows to the process water tank allowing the process water tank to be kept full at all times.

6.7.4 Hydrocarbon Storage

Fuel storage comprises of two 1,200m³ double skinned self-bunded fuel storage tanks and pump skids located within the mining services area. This provides sufficient fuel for the needs of the mining fleet and emergency power for three months if there is any disruption of fuel supply. Fuel levels are regularly monitored by both the fuel supply contractor (TOTAL) and the site supply chain department, with shipments readily available from Abidjan.

6.7.5 Surface Water Management

A number of surface water management structures have and continue to be established at Ity Gold Mine which are principally focused on managing flow of the Cavally River. An analysis completed by KP indicates the requirement for a number of water management structures which comprise: Cavally River diversion upstream of Daapleu pit (including haul road crossing); diversion around Walter pit, diversion around Bakatouo pit and diversion around Colline Sud pit. Aside from the Daapleu diversion, the remainder include protection bunds to prevent flooding of pits in the wet season.

Pit protection bunds are designed at the 100-year ARI flood levels plus 300mm freeboard. The bunds have a crest width of 6m to allow vehicle access, and side slopes of 2.5H:1V. The protection bunds are lined with rock fill for erosion protection on the flood side, and topsoil for revegetation on the pit side. In some places, the haul road will run immediately upstream of the pit protection bund at a lower elevation to reduce fill volumes. Additional bunds are constructed in conjunction with each new river diversion.

Ity Gold Mine has successfully completed a number of the above projects including river crosses and diversions from 2018 through 2020 and the latest project for the Bakatouo open

pit Cavally Diversion and is planned for completion in 2021.

6.8 Human Resources

Ity Gold Mine presently reports 2,124 TEC comprising, 964 employees, 932 contractors and 228 daily workers. The TEC have increased significantly following implementation of the Ity CIL Gold Project as noted in Table 6-46 below. The annual labour operating expenditure for 2020 is reported at US$28.5m which provides for an estimated average cost per TEC of US$2,461 per calendar month.

During calendar 2021, Ity Gold Mine is planning to transition from owner to contractor mining operations which will reduce the direct employee compliment by some 377. The current LoMp assumes that the contractor operations will increase by the corresponding amount thereby resulting in an assumed 2,124 TEC for 2021. As the LoMp assumes relatively constant total material mined and processing capacity it is therefore assumed that this compliment remains relatively constant over the remaining LoMp.

Table 6-47 presents the historical productivity metrics for Ity Gold Mine reported from 2017 through 2020 inclusive. This indicates that total material processed per TEC per month has increased significantly to 210t/TEC/m as has gold production to 260g/TEC/m. These metrics are not assumed to change significantly over the LoMp and in broad terms remain relatively constant if not marginally increasing for gold productivity by approximately 10% when compared to historical performance.

Table 6-46: Ity Gold Mine: historical human resources

Statistic	Units	2018	2019	2020
Expatriates	(No)	14	57	55
Nationals	(No)	486	884	909
Subtotal	**(No)**	**500**	**941**	**964**
Contractors	(No)	660	915	932
Daily Workers	(No)	369	99	228
Total	**(No)**	**1,529**	**1,955**	**2,124**
Management Localisation	**(No**	**7.0**	**4.0**	**7.0**
Labour operating expenditure	(US$k)	13,394	22,115	28,466
	(US$/TEC/m)	2,232	1,958	2,461

Table 6-47: Ity Gold Mine: historical productivity metrics

Statistic	Units	2017	2018	2019	2020
Physicals					
Processed	(kt)	1,194	1,307	3,693	5,353
Produced	(kozAu)	59	85	193	213
Productivity					
TEC	(No)	1,019	1,529	1,955	2,124
	(t/TEC/m)	98	71	157	210
	(g/TEC/m)	150	144	256	260

Ity Gold Mine has not undertaken a detailed assessment of the likely retrenchment costs associated with cessation of operations on depletion of Ore Reserves. An accurate determination of the related liabilities requires a detailed assessment of the demographic distribution of length of service for eligible employees as well as application of the relevant legislation applicable in country as well as any Group enhancement polices which apply. In the absence of such an estimate, SRK has reviewed actual retrenchment assessments associated with similar operations. On this basis and considering the employee quantum on depletion of the Ore Reserves, SRK estimate a total retrenchment liability of US$7.9m which is planned to be incurred in 2031.

6.9 Occupational Health and Safety

Occupational health and safety at Ity Gold Mine is managed in accordance with an ISO 45001:2018 management system framework. In 2020, Endeavour recorded a LTIFR measured per million-man hours worked 0.57 which can be compared with 0.45 reported in 2019. The AIFR also reported per million man-hours worked reported 5.70 for 2020 which can be compared with 3.60 for 2019.

Reducing malaria in neighbouring communities is one of the Group's key health goals, with a target of 10% reduction in malarial incidence rates across the group year-on-year. In 2020 a total of 1,596 malaria cases were reported which is a significant increase over that reported in 2019 (859) and 2018 (569). Ity Gold Mine's malaria prevention programmes include fogging in camps, working areas and villages, reduction of stagnant water, distribution of impregnated mosquito nets, communication programmes for malaria prevention (toolbox talk, video and awareness sessions). The Ity Gold Mine clinic is staffed with a paramedical team who can treat or refer and deal with emergency situations and each employee is covered by a health insurance policy, which gives access to off-site medical facilities (clinic, hospital, pharmacy).

Table 6-48: Ity Gold Mine: historical occupational health and safety statistics

Statistic	Units	2015	2016	2017	2018	2019	2020
Safety							
Fatality	(No)	-	-	-	-	-	-
Lost Time Injury	(No)	4	2	2	-	2	3
Total Time	(m.hrs)	2.13	2.28	2.92	3.69	4.43	5.26
LTIFR	(No/mmh)	1.88	4.49	0.69	-	0.45	0.59
AIFR		-	-	11.74	9.21	3.61	5.92
Occupational Health							
Malaria Cases	(No)	n/a	n/a	n/a	569	1,634	1,662

6.10 Environmental and Social Management

6.10.1 Environmental Authorisations

Environmental authorisations are in place for the existing and planned mining operations on the PE-026, PE-049 and PE-053 exploitation permit areas. The original environmental approval certificate was issued in 2001. Current valid environmental approval certificates are for:

- New developments at Ity mine, including the CIL plant and TSF (December 2013);
- Development of the Daapleu and Gbéitouo pits (June 2016);
- Diversion of the Cavally River around mine workings and construction of a bridge over the river (July 2016);
- Diversion of the Cavally River to allow mining of the Bakatouo, Walter and Colline Sud pits (April 2020); and
- Development of the Le Plaque pit (July 2020).

Decisions on the environmental approvals listed above were based on ESIA processes and reports. Changes made to the project design given in the ESIA reports have been acknowledged by the affiliated ANDE. For example, these include changes to the location of TSF and process plant and development of the Bakatouo and Colline Sud pits.

The environmental approvals include conditions, among these are that ANDE:

- May inspect the facility at any time;
- May raise an injunction against the business to remediate any environmental damage and, if necessary, suspend operations or remove the approval if compliance is not restored;
- Require that any change to design not included in the ESIA assessment authorised be communicated to ANDE prior to its implementation;
- Require that the project be implemented within three years of the authorisation; and
- Require that the business submit to an environmental audit within three years.

6.10.2 Environmental and Social Matters

The ESIA processes undertaken for Ity Gold Mine correlate with the environmental approval certificates listed above. As required by law, the ESIAs have been undertaken by local consultants, including Roche Environmental Technologies, 2D Consulting Afrique and Cecaf International. In 2016, an ESIA report (the "**Ity 2016 ESIA**") that collates information from ESIAs

undertaken in 2013 and 2016 was produced by SNC Lavalin (Canada). This was not submitted to regulatory authorities for approval and as such the management plan and commitments stated therein remains external to the Group's current legal commitments.

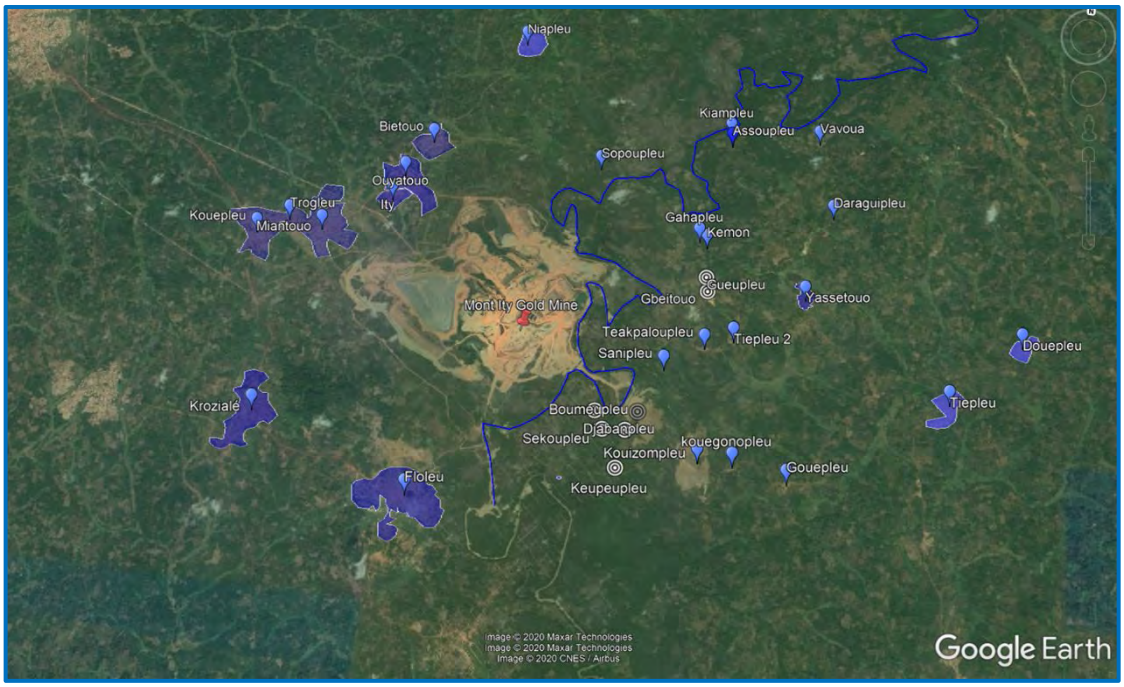
Environmental and Social Setting

Terrain on and around Ity Gold Mine comprises gently undulating plains and hills, with altitudes ranging from 220m to 430m above mean sea level. The Cavally River used to meander through the mine site, between the Ity Mine Complex (Figure 6-13) and the Gbéitouo and Daapleu deposits. Some meander loops have been bypassed by means of river diversions to facilitate mining of pits.

The Cavally River originates in Guinea, north of Mount Nimba, and forms a number of administrative borders. At Ity Gold Mine, the river forms the border between the Zouan-Hounien and Bloléquin departments (and the Tonkpi and Cavally regions) and downstream of the mine it forms the border between Liberia and Côte d'Ivoire.

Water quality in the mine area, including the Cavally River, is not fit for human consumption without treatment. Elevated arsenic levels have been recorded in sediments and surface water and elevated mercury levels have been recorded in the flesh of fish. The arsenic can be attributed to geology and the mercury to artisanal mining. In addition, high levels of coliforms are detected in surface water and wells due to a widespread lack of sanitation.

Figure 6-13: Ity CIL Gold Mine: landforms and water features and populated areas



The natural vegetation around the mine is moist evergreen forest, with some tall canopy trees (30m to 60m tall). It has been significantly transformed by land clearing for agriculture. It comprises fragments of forest, plantations, cultivated land, fallow land and burned pastures.

Livelihoods in the villages around the mine are based on agriculture, artisanal mining, trading, fishing and employment at the Ity mine, which commenced operations in 1991. Wood and rubber processing factories are also sources of employment. Artisanal mining supplements household income. There is a substantial amount of artisanal and small-scale mining in the Cavally River and around the Ity mine sites.

Most of the agriculture involves farming of cash crops (coffee, cacao rubber, kola nut and palm

oil), food crops (rice, corn, cassava, yam and plantain) and vegetable crops (eggplant, pepper, okra, lettuce, beans). Tropical fruits are also grown such as banana, papaya and mango. Resources collected from the wild include small animals (including insects and snails), medicinal plants, mushrooms, wild fruit, herbs and spices and wood for building and fires.

Some households undertake fish farming and many households have a few livestock (sheep, poultry and pigs). Livestock farming is limited by the humid climate, proliferation of parasites and lack of pasture.

There are eight relatively large settlements in the Zouan-Hounien department around Ity mine. These are the villages of Biétouo, Floleu, Ity, Kouépleu, Krozialéu, Méantouo, Ouyatouo and Trogleu. Most of these were established over a hundred years ago. Ity village is new, it was established in 2007 and hosts the people who were relocated from the mine site. It is now officially linked to Ouyatouo village.

The population in the eight villages was about almost 16,000 in 2014 and has been steadily growing at a rate of 5% each year. This is attributed to an influx associated with mining and in-migration from neighbouring countries. The population is cosmopolitan, it includes people of many different countries (including Liberia, Guinea, Mali and Burkina Faso). Despite this, the villages have distinct customs and traditional values that they observe.

The villages near the Gbéitouo and Daapleu deposits are Daapleu village, which includes several hamlets, and Kouizonpleu village. The Daapleu resettlement site is next to Kouizonpleu village. In 2018, the Daapleu and Kouizonpleu populations were estimated to be 400 and 100, respectively, with over half of the people being under 15 years old and over two thirds being illiterate.

Houses in the villages around Ity mine (Zouan-Hounien department villages) are built with a variety of materials such as brick, wood, tarpaulins, corrugated iron, clay and thatch. Most houses across the Cavally River, in the Bloléquin department, are made with traditional materials with clay walls and earth floors.

The Zouan-Hounien department villages have benefited from Ity mine community development projects over the years. The villages do have electricity, schools and a health centre in Ouyatouo. The health care infrastructure and services are however still limited. The Bloléquin-department settlements were isolated from health centres and schools by the Cavally River, which could only be crossed by boat until Ity mine built a bridge over the river.

Malaria, acute respiratory infection and diarrhoeal disease are the dominant illnesses recorded in the area. Improved access to potable water is seen to be a development need. Households use groundwater (shared boreholes and wells) and surface water (from streams and ponds). The water is sometimes treated with chemicals or filtered. Many houses do not have latrines and wastes are disposed of in the bushes or burned.

Approach to Environmental and Social Management

- **Environmental Management:** Ity Gold Mine is aligning its environmental management system with ISO 14001:2015 standard. Among the improvements being made are tracking of conformance with compliance obligations (in legislation, permits, approved plans and commitments made to stakeholders) and undertaking of regular audits and management reviews.

  The historical water monitoring data for the mine is scant, but water quality is now monitored on a regular basis. The data is not presented in a format that illustrates trends.

  The Group has made a policy commitment to compliance with the International Cyanide Management Code but is not a signatory to the Code. Ity Gold Mine's compliance with the

Code was audited by Afritech in 2019. Ity Gold Mine has implemented most of the recommended improvements but still needs to engage stakeholders about cyanide risks and to reduce the levels of cyanide on the TSF. Another audit of the operation will be undertaken in 2022;

- **Stakeholder Engagement:** Historically, poor engagement undermined relationships with local communities. This has been addressed. Since 2013 there have been engagements with local communities as part of ESIA processes and, more recently, as part of community development planning. In 2018, the Ity stakeholder engagement plan was revised, and a formal grievance mechanism was established;
- **Local Procurement and Employment:** Local procurement and employment are prioritised by Ity Gold Mine. Effort is being made to build the capacity of Ivorian suppliers through awareness and training workshops and consultations. The Group commits to recruiting over 90% of its workforce nationally and, at Ity Gold Mine, 93% of the workforce is Ivorian.

  The right to freedom of association and collective bargaining is supported and regular meetings are held with unions and staff representatives. Collective agreements are being renegotiated and amended at Ity. Partial agreements were reached in 2019 on financial elements (salaries and bonuses) and are valid for 3 years; and
- **Promotion of Community Development:** Community investment activities undertaken from 1998 to 2013 focused on education, health and electrification of neighbouring villages. The budget for these activities was XOF570m (US$1.0m).

  In accordance with the 2014 Mining Code, mineral rights holders are required to prepare local development plans in consultation with local communities and administrative authorities. Implementation of the plans are funded by a community development fund. Contributions of 0.5% of the total revenues of mining activities are required from the mineral rights holder (this amount excludes transportation and refinery costs). Additional funds are provided by the department and regional authorities and national government. Ity Gold Mine (specifically SMI) has been paying into a community development fund, since 2014. During 2020 Ity Gold Mine contributed US$1.88m to the government-mandated community development fund.

  The local development plans focus on development of infrastructure and basic equipment; basic social services; promotion of employment; development of the local economy; and development of human capital. The implementation of the plans is the responsibility of committees set up by the government. SMI has made further investments in community developments, beyond the legally required contributions, in literacy projects, capacity building of health facilities and income-generating activities.

Resettlement

Ity village was moved from the Ity mine site to a location next to the existing Ouyatouo village in 2007 which affected 28 households. The resettlement included construction of concrete buildings and lavatory facilities with steel roofs, drilling of boreholes to provide potable water, recreation areas and electrification of the village. Arable land was acquired for each household to support livelihood restoration.

The Ity village resettlement was planned with engagement of affected parties and administrative and traditional authorities, but there have been complaints that the engagements relied too heavily on the authorities as representatives of the affected parties. There have also been complaints of incorrect payments and insufficient land for farming. SMI recognised the need to resolve the issues. It was agreed that the chief of Ity village will find land for the extension of

the village and SMI will acquire this land and the land acquisition process is currently underway.

Surveys of the area affected by the mining of the Daapleu and Gbéitouo deposits were undertaken in 2014 – 2015. These identified potentially affected households in Daapleu village, and several hamlets associated with Daapleu village (Boumeupleu, Djabampleu, Gbeituou, Gueupleu, Keupeupleu and Sékoupleu). The affected households (about 1,000 people) were relocated to a new resettlement village constructed near Kouizonpleu in 2018. The new village has a community centre, a school, and housing units for teachers. In addition, water wells and solar streetlights were installed in the new and host villages. A marketplace was also established for these villages.

Displacement from the Colline Sud site was limited to economic displacement of 74 people; no households were physically displaced.

Land use at the site of the Le Plaque deposit was agricultural. No physical displacement of households has been required. Structures were recently opportunistically erected in the areas to be developed. Although not required by government and in the interests of maintaining constructive relationships with local communities, Ity Gold Mine compensated 2,300 people for loss of structures though at a rate commensurate with the quality of the structure constructed. In addition, 433 people were compensated for the loss of their crops and 72 people were compensated for the loss of their lands

The Group intends to undertake resettlement completion audits to confirm resettlement has been completed to agreed standards, commitments are fulfilled, and livelihoods are restored.

Other Issues – Illegal Miners

The Ity Gold Mine security and community relations teams monitor illegal artisanal and small-scale mining operations on and around the exploitation concessions. They work with national and local authorities to manage identified risks to operations, health and safety, and the environment. The security team is supported by private security contractors and national security forces (police, gendarme and military) under memorandums of understanding signed with the national authorities. Training on human rights policy and procedure is undertaken to ensure that security personnel conduct towards third parties is appropriate. The training is to be extended to police and gendarmes in 2021.

Many of the artisanal miners live in the communities local to mine sites and are engaged through ongoing stakeholder engagement activities. They are also encouraged to participate in Ity mine training activities to convert their skills to access different types of employment. Large numbers of artisanal miners (up to 2,000) invaded the pits between 2012 and 2016. Such incursions have since been prevented by the measures described above and advocacy and awareness-raising carried out by both administrative authorities and Ity Gold Mine.

Other Issues - Water and Biodiversity Impacts

The limited available water monitoring data presents no evidence of pollution of surrounding water resources. However, it is noted that:

- The levels of cyanide on the TSF are high (above the Cyanide Code limit of 50mg/l WADCN) and options to reduce these are still under consideration, one option referred to as the ReCYN Project is estimated to have a capital cost of US$29.5m;
- Water from dewatering of the Walter pit has been found to contain elevated levels of cyanide (0.2mg/l to 0.3mg/l of WADCN) and is unfit for discharge to the environment; and
- Acid rock drainage and metal leaching is considered unlikely due to the high levels of carbonate present in the host rock, however geochemistry test work to ascertain this has

not been undertaken.

The 2016 ESIA report identifies part of the catchment of the Cavally River as critical habitat for a globally endangered species (one fish species - Chrysichthys teugelsi) and for four restricted-range fish species. Ity Gold Mine has not developed a biodiversity action plan as recommended in this 2016 report but has commissioned the Jean Lorougnon Guédé University to monitor biodiversity in the river. A report by this university on monitoring undertaken in 2019 indicates some fluctuations in biodiversity in the river over the period 2017, 2018 and 2019. The fluctuations could be caused by natural phenomena, changes in artisanal mining as well as river diversion construction works. The report does not attribute significant adverse impacts to the activities of Ity Gold Mine and recommends ongoing monitoring.

Energy, Emissions and Water Usage Metrics

Table 6-49 presents a summary of the energy, emissions and water usage metrics at Ity Gold Mine for the period 2017 through 2020.

Table 6-49: Ity Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	1,194	1,307	3,693	5,353
Energy Consumption	(MWh)	112,495	205,096	262,892	401,857
	(kWh/t)	94	157	71	75
Water Consumption	(Ml)	175	5,099	1,755	1,839
	(Ml/t)	147	3,901	475	344
GHG Emissions	(tCO_2e)	52,198	51,863	51,628	115,093
	($kgCO_2e/t$)	43.7	39.7	14.0	21.5

6.10.3 Mine Closure

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$12.8m for Ity Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$34.3m (Table 6-50) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence in 2029, two years prior to planned cessation of mining and processing operations. In accordance with the three main sub-divisions of expenditures the total LoMp closure costs comprise: pre-closure expenditures of US$17.1m; closure related expenditures of US$12.9m; and post closure monitoring expenditures of US$4.2m.

In addition to the mine closure costs reflected in Table 6-50, the retrenchment costs are estimated at US$7.9m which provides for a total LoMp Environmental and Social Liability estimate of US$42.2m.

It is however important to note that the Group immediate closure as estimated as presented in Table 6-50 reflects the Groups current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that current reflected in the ARO estimate by the Group.

Furthermore, SRK understands that the amount currently accumulated in the escrow account for Ity Gold Mine held by the SGCICIAB is at US$1.7m.

Table 6-50: Ity Gold Mine Environmental and Social Liabilities

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	1,046	1,699
Waste dumps	3,706	7,689
TSF	2,229	9,678
RoM Pad & Stockpile	496	496
Leach pads	-	-

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Explosive Magazine	100	100
Plant	376	4,113
Mobile maintenance workshop	80	80
Hydrocarbon	-	-
Road	183	183
Monitoring	3,393	3,393
Tailings Water Treatment	24	24
Buildings and Infrastructure	-	-
Indirect	-	-
Contingency	1,163	6,864
Total	**12,795**	**34,319**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

6.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to Ity Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 6-51; Table 6-52). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR. The scenario presented is limited to depletion of the stated Ore Reserves as at 31 December 2020 and does not reflect the potential for continued operations assuming inclusion of Inferred Mineral Resources and potential expansion of the open pit at a higher short-term gold price.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 6.4 and Section 6.5 of this CPR which projects processing of a total of 53.9Mt grading 1.58g/tAu with weighted average recovery of 84.6% to produce 2.3Moz of gold. It should however be noted that Ity Gold Mine also produces silver which reports to the doré sales sent to the third-party refinery. For calendar 2020 these sales reflected a ratio of silver to gold of 1.25, the revenue for which is reported as a by-product in the historical operating expenditures. Silver is not however estimated in the underlying geological models and as such is not reported in any of the Mineral Resources or Ore Reserves as reported herein and therefore not included in the LoMp or the TEPs. The sustainability of continued silver production is therefore uncertain and therefore historical production should not be considered as an indication of future performance.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold production is determined at 2,321koz and inclusion of GIC and FG results in total sales of 2,328koz.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported

in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Ity Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$3.46/$t_{mined}$ and US$12.65/$t_{milled}$ respectively;
- Site General and Administration annual operating expenditures assumed at US$20.0m in 2021 and remaining at this level for the majority of the LoMp;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$6.9m and the LoMp weighted average unit rate per tonne milled is estimated at US$0.92/t;
- Commodity prices inclusive of base prices, transport costs and duties comprising for primary consumables: activated carbon (US$2,940/t); lime (U$$340/t); steel balls (US$1,125/t); caustic soda (US$860/t); cyanide (US$2,360/t); hydrochloric acid (32%) (US$360/t); copper sulphate (US$2,310/t); and fuel delivered to site at (US$1.01/l);
- Royalties determined in accordance with the sliding scale referenced in Section 6.2 and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 0.5% of the projected sales revenue determined on the basis of gold sales and the gold price assumptions as reported herein. As for the royalty determinations these are not included in the TEPs and are reported in Section 15 of this CPR;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$2.50/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Côte d'Ivoire which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures (US$186.4m) which includes expenditures

incorporated into the 2021 budget inclusive of surface water management costs, haul road construction, Ity CIL Plant improvements (ReCYN Project; secondary crushers, additional leach tanks) and various CSR projects and a significant portion of the tailings related capital expenditures relating to annual lifts to maintain continued deposition of tailings arisings produced through processing of the Ore Reserves as reported herein;

- Sustaining capital expenditures (US$94.7m) which includes provisions for replacement of light vehicles, US$17.0m of the total capital expenditure estimated for the TSF lifts, ITY CIL Plant provisions for sustaining capital estimated at US$1.28/$t_{milled}$, and specific sustaining capital items included in the 2021 budget estimated at US$6.6m;
- Capitalised waste estimates as reference above and amounting to a total of US$114.7m over the LoMp; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$42.2m.

Table 6-51: Ity Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	241,657	23,100	22,328	23,069	25,541	25,899	25,369	26,286	26,341	26,657
Waste	(kt)	194,168	17,648	17,765	18,510	20,253	19,681	20,696	21,804	22,460	22,021
Ore	(kt)	47,490	5,452	4,563	4,559	5,288	6,218	4,673	4,482	3,882	4,636
	(g/tAu)	1.69	1.76	1.94	1.81	1.77	1.50	1.63	1.62	1.65	1.80
	(kozAu)	2,585	308	284	265	301	299	245	234	206	269
Stripping Ratio	(t_{waste}:t_{ore})	4.1	3.2	3.9	4.1	3.8	3.2	4.4	4.9	5.8	4.8
Ore Processed	(kt)	53,887	5,300	5,300	5,600	5,615	5,600	5,600	5,600	5,615	5,600
	(g/tAu)	1.58	1.84	1.70	1.55	1.62	1.69	1.53	1.50	1.37	1.60
	(kozAu)	2,745	314	290	280	293	305	275	271	248	288
Recovery	(%)	84.57	76.00	87.10	91.60	87.45	84.66	77.07	83.11	86.68	80.75
Production	(kozAu)	2,321	239	253	256	256	258	212	225	215	232
Poured	(kozAu)	2,321	239	253	256	256	258	212	225	215	232
Sales											
Gold	(kozAu)	2,328	247	252	256	256	258	212	225	214	232
Operating Expenditure											
Mining	(US$m)	(836.1)	(85.61)	(78.22)	(83.22)	(89.01)	(96.63)	(87.01)	(83.24)	(86.62)	(93.77)
Processing	(US$m)	(681.9)	(71.95)	(67.80)	(73.66)	(74.68)	(72.50)	(72.49)	(70.30)	(67.94)	(68.41)
SG&A	(US$m)	(194.5)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)
CG&A	(US$m)	(49.7)	(6.92)	(6.48)	(6.36)	(4.86)	(5.09)	(4.41)	(5.48)	(3.00)	(3.56)
Realisation	(US$m)	(5.8)	(0.60)	(0.63)	(0.64)	(0.64)	(0.64)	(0.53)	(0.56)	(0.54)	(0.58)
Capitalised Waste	(US$m)	114.7	8.90	11.64	17.63	19.00	20.07	21.56	2.36	6.60	6.94
Total	**(US$m)**	**(1,653.2)**	**(176.18)**	**(161.48)**	**(166.25)**	**(170.18)**	**(174.80)**	**(162.89)**	**(177.22)**	**(171.50)**	**(179.37)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(186.4)	(45.81)	(12.55)	(5.82)	(16.26)	(16.38)	(24.34)	(12.93)	(13.73)	(14.38)
Sustaining	(US$m)	(94.7)	(6.65)	(20.04)	(13.03)	(7.92)	(7.94)	(7.78)	(7.92)	(7.93)	(7.81)
Capitalised Waste	(US$m)	(114.7)	(8.90)	(11.64)	(17.63)	(19.00)	(20.07)	(21.56)	(2.36)	(6.60)	(6.94)
Environmental Closure	(US$m)	(42.2)	-	-	-	-	-	-	-	(1.41)	(1.41)
Total	**(US$m)**	**(438.0)**	**(61.35)**	**(44.24)**	**(36.48)**	**(43.18)**	**(44.40)**	**(53.68)**	**(23.21)**	**(29.66)**	**(30.55)**

Table 6-52: Ity Gold Mine Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	17,068	-	-	-	-	-	-	-	-	-
Waste	(kt)	13,330	-	-	-	-	-	-	-	-	-
Ore	(kt)	3,738	-	-	-	-	-	-	-	-	-
	(g/tAu)	1.46	-	-	-	-	-	-	-	-	-
	(kozAu)	175	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	3.57	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	4,056	-	-	-	-	-	-	-	-	-
	(g/tAu)	1.41	-	-	-	-	-	-	-	-	-
	(kozAu)	183	-	-	-	-	-	-	-	-	-
Recovery	(%)	96.29	-	-	-	-	-	-	-	-	-
Production	(kozAu)	177	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	177	-	-	-	-	-	-	-	-	-
Sales											
Gold	(kozAu)	176	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(52.78)	-	-	-	-	-	-	-	-	-
Processing	(US$m)	(42.13)	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	(14.49)	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	(3.51)	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	(0.44)	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(113.34)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(14.38)	(9.77)	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(7.72)	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(9.32)	(25.84)	(0.85)	(0.85)	(0.85)	(0.85)	(0.85)	-	-	-
Total	**(US$m)**	**(31.42)**	**(35.60)**	**(0.85)**	**(0.85)**	**(0.85)**	**(0.85)**	**(0.85)**	**-**	**-**	**-**

6.12 Risks and Opportunities

The key **risks** relating to Ity Gold Mine are:

- **Mining Geotechnics:**
  - The presence of weak saprolite material, high rainfall environment and proximity to water courses are an ongoing risk with regards to open-pit slope stability management. It is apparent that a number of design outcomes do not necessarily align with the latest geotechnical report recommendations and further technical work is required to support the adjustments as incorporated into the current engineering designs. Accordingly, there remains a risk that should such additional work not support the adjustments then the stripping ratios as reported herein may be higher following re-design.
  - As mining at the open pits progress deeper it will be necessary to install 24-hour slope monitoring equipment and accordingly their implementation is a key factor in establishing appropriate slope monitoring management for future operations.
  - All slope designs assume depressurised slopes which is critical to ensure that the presently planned geotechnical design criteria can be achieved, especially given the combined impacts of thick intersections of weak saprolite material and proximity of some of the pit slopes to the Cavally River. The development of appropriately calibrated hydrogeological models to further assess and refine the extent of active/passive dewatering required to attain the assumed slope configuration;
- **Surface Water Management:** owing to the proximity of mining operations to the Cavally River which acts as a primary source of recharge and high rainfall surface water management is a key factor in limiting ingress of water into the open-pit operations. These items specifically impact the Bakatouo, Walter and Colline Sud open pits and to a lesser degree the Daapleu open pit. Ity Gold Mine has completed various diversions of the Cavally River with three diversions completed and the final diversion at Bakatouo planned for completion in May 2021. Timely completion of the diversions as well as ongoing management and maintenance of protection bunds are key to sustaining mining production;
- **Mineral Processing:** the Ity CIL Plant has significantly increased production capacity to in excess of 5Mtpa and for 2020 processed 5.3Mtpa of ore. The current design criteria assumes a limiting blend of weathering ore types which has an upper limit of 58% of primary and transitional feed and 42% of oxide feed. The limiting factor refers to the quantum of fresh ore which can be milled without impairing grind size and assumed metallurgical recovery. The current LoMp indicates that this criteria is exceeded in specific years from 2026 onwards and as such further technical work is required to establish whether additional plant modifications are required to attain the assumed metallurgical recoveries during these periods. Accordingly, there remains a risk subject to the completion of such analysis that the projected throughput and ore recovery during this period may require further modification of mine rescheduling to attain the feed blend criteria or modifications to the comminution circuit to maintain current processing capacity.

  The current LoMp incorporates ore sources which to date have not been historically processed and are entirely reliant on bench scale testwork results, such as Le Plaque. Accordingly, there remains a higher degree of risk regarding the recovery assumptions with this deposit. Furthermore, the recovery assumptions as applied for all the deposits, whilst varying for weathering status within each deposit does not include recovery variability with feed grade. Accordingly, there remains a risk for the lower grade ores (LG and MG) that the assumed recoveries assigned to these are lower than presently assumed;
- **Tailings Storage Facility (water management):** the current levels of supernatant water

on the TSF is larger than the target maximum pond limits defined during the design process which is in part a direct result of the increased processing above nameplate capacity and a lower percent solids (35%) than the design range of 37% to 41%. Accordingly, there remains a risk that should appropriate controls for pond and facility water balance as presently recommended not occur, then TSF stability and capacity may be negatively impaired. To ameliorate against any negative impacts of this risk, Ity Gold Mine has commenced a detailed water balance review which is targeting specific reduction of the current levels through increasing the water reclaim during the wet season to recycle 75% to 85% of the water discharged into the TSF and other measures;

- **Tailings Storage Facility (cyanide levels):** The reported Weak Acid Dissociable Cyanide ("**WADCN**") values in the TSF are very high and are reported to be due to certain ores which include mineralisation with high soluble copper. WADCN discharge values to the TSF are generally around 300mg/l to 600mg/l, which is very high compared with the 50ppm required at spigot in current ICMC standards. Whilst SRK understands that the TSF is a fully lined facility and that there are no reported discharges or seepage from the facility to the surrounding environment, the level of cyanide is high and assumed to remain as such pending any decisions to implement increased cyanide destruction capacity and/or implement the ReCYN Project which specifically targets the recovery and recycling of cyanide from the tailing stream back to the CIL. This project is also being scoped to produce a saleable copper product and to reduce WADCN levels to below 50mg/L without the addition of toxic chemicals. The capital expenditure associated with this project is estimated at US$29.5m and presently planned to be constructed in 2022 and commissioned in 2023; and
- **Environmental and Social Liabilities:** The LoMp liabilities as reported herein comprise both direct mine closure related expenditures and retrenchment expenditures. The retrenchment estimates whilst not based on a detailed employee length of service demographic analysis, is based on recent experience in Côte d'Ivoire and as such is considered to be a reasonable estimate for the future liability to be incurred on closure. The mine closure cost however is derived from inventory assessments and unit rate assumptions largely focused on landform remediation and in the absence of an appropriately detailed and engineering mine closure plan is considered to be at best a scoping level estimate. Accordingly there remains a risk that following completion of additional technical work which is presently planned in accordance with the newly established Group Standard for Mine Closure that the estimates as presented herein may change specifically when considering the potential impacts of ARDML and any requirements for active water treatment which are at present poorly informed given the level of technical studies completed to date. Furthermore, in respect of Environmental and Social Matters the key recommendations concluded are:
  - to continue strengthening of the environmental management system on site and obtain certification for this as planned,
  - to establish a compliance obligations database for obligations in permits and agreements and track conformance with these systematically,
  - to upgrade monitoring programs to better understand impacts on land and water users and habitats around and downstream of the mine sites,
  - to undertake resettlement completion audits to check that livelihoods of displaced people have been restored,
  - to conduct ARDML studies as planned,

- to prepare mine closure plans and cost estimates aligned with the Group Mine Closure Standard as planned,
- to maintain the proactive and continuous community stakeholder engagement.

The key **opportunities** relating to Ity Gold Mine are:

- **Geology and Mineral Resources (silver content):** the current geological models are not informed by sample and assay data for silver content and as such the Mineral Resource and Ore Reserve statements are unable to support any assessment of future silver production and recovery into doré form. For 2020 the reported ratio of silver to gold produced was 1.25 which is significant. Accordingly, there remains an opportunity pending completion of appropriate geological sampling, assaying and modelling to establish the silver grade at each of the various deposits and to determine the sustainability of historical production levels to improve upon the future forecast cashflows as reported herein;
- **Geology and Mineral Resources (exploration potential):** certain of the geological models are not yet closed off by drilling either along strike or at depth. Potential extension for the latter however is largely limited given the current extent of the declared resources and the limiting impact of stripping ratios. This aside, a number of the deposits remain open along strike and are sufficiently shallow to consider potential for mining by open pit methods. The current LoMps are limited to Ore Reserves and as such completion of planned exploration drilling to target strike extensions may lead to increased Mineral Resources and potentially increased Ore Reserves e.g. Le Plaque; and
- **Life of Mine Plan extensions:** certain of the open pits whilst limited to Ore Reserves do mine a portion of Inferred Mineral Resources which are presently ascribed no revenue and effectively treated as waste. For Ity Gold Mine the Inferred Mineral Resources reporting within the current pit designs is noted at 2.9Mt grading 1.39g/tAu and containing 129kozAu which if processed would extend mine life by approximately 6 months. Extension of the mine life beyond this based on current Mineral Resources would require an increased long-term gold price to approximately US$1,500/oz and in this instance a further 17.9Mt grading 1.32g/tAu for 0.8Moz could support continued operations for a further three years albeit at a higher stripping ratio than currently reported herein.

7 KARMA GOLD MINE

7.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Company and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly.

The current Mineral Resource and Ore Reserve Statements as reported for Karma Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

7.2 Mineral Asset Background

Karma Gold Mine was commissioned in 2015 and comprises several open pit mining operations mining at a total rate of 20Mtpa and processing ore through a conventional HLF with a nominal stacking capacity of up to 5.0Mtpa. Following an extensive exploration programme completed from 2005 through 2012, various feasibility studies were completed leading to a detailed engineering and design phase in 2013 and publication of an updated feasibility as represented in the *"NI 43-101 Technical Report, Updated Resource Estimate and Feasibility Study on the Karma Gold Project, Burkina Faso, West Africa for True Gold Mining Inc"* published in December 2014. Mining operations commenced in 2015 with commissioning and production leading to the first gold pour in 2016. Karma Gold Mine has been in continuous operations through to 31 December 2020. The technical information as presented in this CPR is sourced from the Group's LoMp and the accompanying Mineral Resource and Ore Reserve statements published as at 31 December 2020. The current LoMp is limited to depletion of the Ore Reserves which reflect depletion in 2022. Assuming that no further pit expansions occur, Karma Gold Mine will enter a closure and rehabilitation programme in late 2022.

The current LoMp as reported herein is limited to depletion of Ore Reserves from 1 January 2021 through calendar 2022. Total material mined is planned to reduce from 22Mtpa in 2021 to 13Mtpa to enable processing of a total of 5.5Mtpa grading 0.90g/tAu and total gold production of 2.3Moz attained at a weighted average metallurgical recovery of 81.7%. Annual gold production remains range bound between 75koz and 85koz and the weighted average AISC for the LoMp is estimated at US1,180/ozAu. Total capital expenditure comprising growth (including non-sustaining) and sustaining capital is estimated at US$10.7m with mine closure costs (inclusive of retrenchment) estimated at US$25.1m.

Location and Access

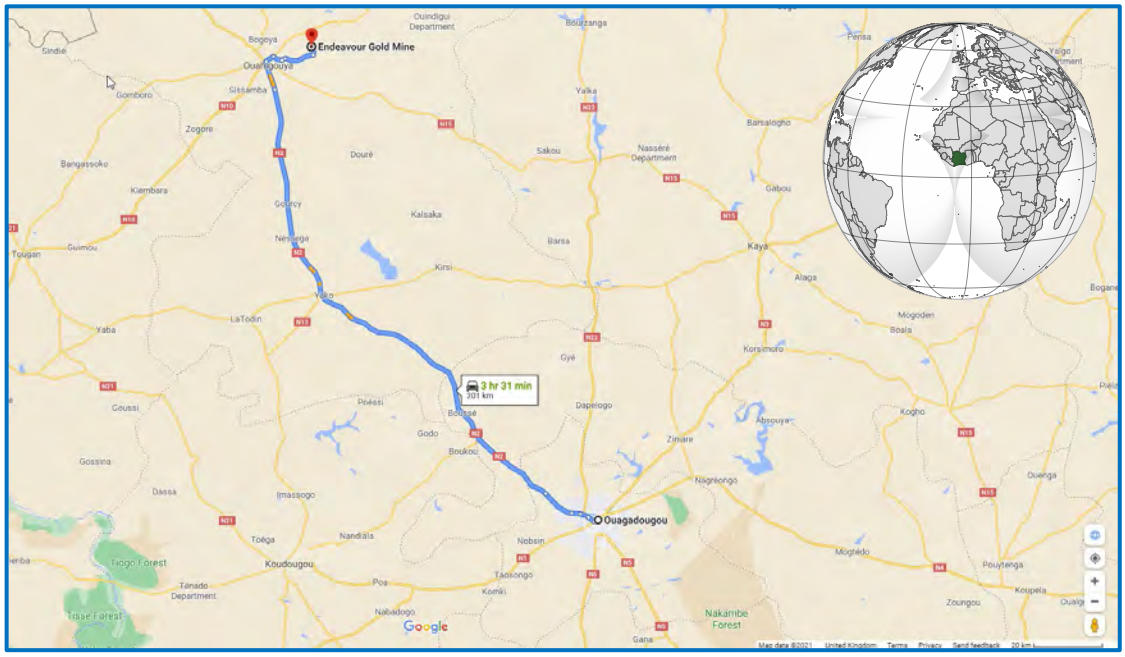
Karma Gold Mine is located at latitude 13°37'00" north and longitude 02°17'41" west in Burkina Faso, West Africa and is situated approximately 160km north-northeast of the capital city of Ouagadougou. The Karma Gold Mine is in the Yatenga Province of the Nord administrative region some 20km east of the city of Ouahigouya (population 125,000) and is accessible via a series of paved and unpaved roads.

National Route 2 (N2) is a paved highway connecting Ouahigouya (located 60km from the border with Mali) to the capital Ouagadougou and the N2 route traverses through the regional centre of Yako en route to Ouahigouya. Access from Ouahigouya to Karma Gold Mine is via the R22 regional road and by dirt road and the majority of the employees live in Ouahigouya.

Burkina Faso is landlocked and relies on paved highways to access the ports of Tema in Ghana, Abidjan in Côte d'Ivoire, Cotonou in Benin and Lomé in Togo for shipping. Ouagadougou is serviced by an international airport and the site is also accessible from there by small planes landing at the Ouahigouya regional airstrip.

Current mining operations are focused on two open pits GG1 and Kao North, with Nami and Rambo West planned to commence mining in 2022. All four pits which are located within the Karma Licence. The current LoMp also assumes development of a fifth open pit, Yabonsgo which is scheduled to commence mining in 2022 and is currently not contained within the Karma Licence.

Figure 7-1: Karma Gold Mine location map



Physiography and Climate

The topography is dominated by very subdued terrain. Low rolling plateaus are cut by weakly incised drainage channels. Major features are long ridges capped by hard iron-rich laterite (cuirasse). Vegetation is scrub woodland and savannah grassland. Water is in relatively short supply except during the rainy season, but for drilling purposes can be obtained from seasonal reservoirs or from wells.

The climate in the vicinity of Karma mine is Sub-Sahelian (transitional between Sahelian and Sahelo-Sudanian) with distinct hot and rainy and cool and dry seasons. The wet season extends from May to October and brings most of the annual rainfall, which averages about

670mm and ranges between 300mm and 750mm annum. There is high interannual variability in rainfall. Temperatures range from 10˚C to over 50˚C with the hottest months being March to May. The coolest months are the driest months (December and January) and the wettest months (July to September). Annual evaporation exceeds rainfall.

Two large-scale meteorological phenomena influence the climate. The West African Monsoon coming from the southwest and south, blows moist air from the Atlantic and can bring torrential rain in the wet season. The dry and dusty Harmattan comes from the north-northeast, from the Sahara, in the dry season.

The wind regime in the area results from the monsoon-harmattan alteration linked to the North-South oscillation of the intertropical convergence zone ("**ITCZ**") over the country. Thus, the two wind regimes (harmattan and monsoon) which interest Karma and which alternate during the year determine the seasonal variability. In the dry season with the harmattan, average wind speeds vary between 1m/s and 3m/s and in the wet season (monsoon), they are around 1m/s to 4m/s. A special feature, however, exists during the rainy seasons. The disturbances that generate the rains are sources of strong winds. In these systems, the speeds sometimes reach 15m/s and are generally winds from east to south-east. The main characteristic of the dry season is the procession of dust observed between October and April which can reduce the visibility to less than 1,000m. This dusty weather can last more than a week at a time in this locality.

Ownership, Mineral, Mining and Exploration Rights

The Karma Gold Mine comprises a single exploitation permit (the "**Karma Licence**" - Table 7-1) granted to Riverstone Karma SA ("**Riverstone Karma**") on 31 December 2013 covering initially 36.78km^2. The Karama Licence was extended to 50.81km^2 on 10 October 2014 and further extended to about 55km^2 on 30 July 2018. The Karma Licence is valid until 31 December 2033 and may be renewed for consecutive five-year periods until deposits are depleted. The Karma Licence contains six known mineral deposits, namely the Goulagou I ("**GG1**"), Goulagou II ("**GG2**"), Rambo, Kao Main, Kao North and Nami deposits.

The Rambo West deposit is next to the Rambo deposit and within the existing exploitation area, so there is no need to apply for an exploitation permit extension to mine this deposit. However, an environmental approval must be obtained for mining Rambo West.

The key decisions relating to the Karma Licence comprise:

- For GG1, GG2 and Rambo: Permit granted on 31 December 2013 by Decree No. 2013- 327/PRES/PM/MCE/MEF/MEDD, valid from 31/12/2013 to 31/12/2033 and with a permit area of 36.78km^2;
- For Kao Main and Nami: Area extended by Decree No. 2014-913/PRES/PM/ MME/MEF/MEDD on 10 October 2014 and extended to 50.81km^2 in total; and
- For Kao North: Area extended by Decree No. 2018-0657/PRES/PM/MMC/ /MINEFID/MEEVCC on 30 July 2018 and extended to 55km^2 in total.

Table 7-1: Karma Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Riverstone Karma SA	Karma	2014-913/PRES/PM/MME/MEF/MEDD	90.00	55.0	31/12/2033	13.0

A mining convention is in place for the Karma Gold Mine. This is an agreement between government (represented by the Ministry of Mines and Energy) and the operating company, Riverstone Karma. It was signed on 30 November 2015 and obligations in the convention pertaining to environmental, social and governance include:

- preferential use of national services and materials wherever possible;

- preferential employment of national people, respecting human rights and employment law and replacing expatriates with nationals who have acquired the same experience;
- fair compensation of people displaced by mining;
- from the date of first commercial production, contribution to the improvement of hospitals schools and other community infrastructure;
- protection of the environment; and
- Maintenance of a bank account within Burkina Faso for a restoration fund for the mine site as defined by the mining regulations – the cost must cover the implementation of an environmental preservation and rehabilitation program and is exempt from corporation tax.

The Karma Licence is subject to various royalty considerations, including a 3% to 5% sliding scale royalty to the GoBF (linked to the price of gold) and a 2% royalty owed to Maverix Metals Inc ("**Maverix Metals**"). Further, there is a 3% royalty owed to Mr. Matlock and Ms. Guirma in connection with the Rambo deposit, a 3% royalty owed to Mr. Matlock on an area surrounding the Rambo deposit, a 1% to 2% sliding scale royalty owed to Golden Star Resources Ltd. ("**Golden Star**") in respect of some deposits and a 5% royalty owed to the Ouedraogo family in respect of some deposits.

In summary the royalty arrangements relating to the Karma Gold Mine comprise:

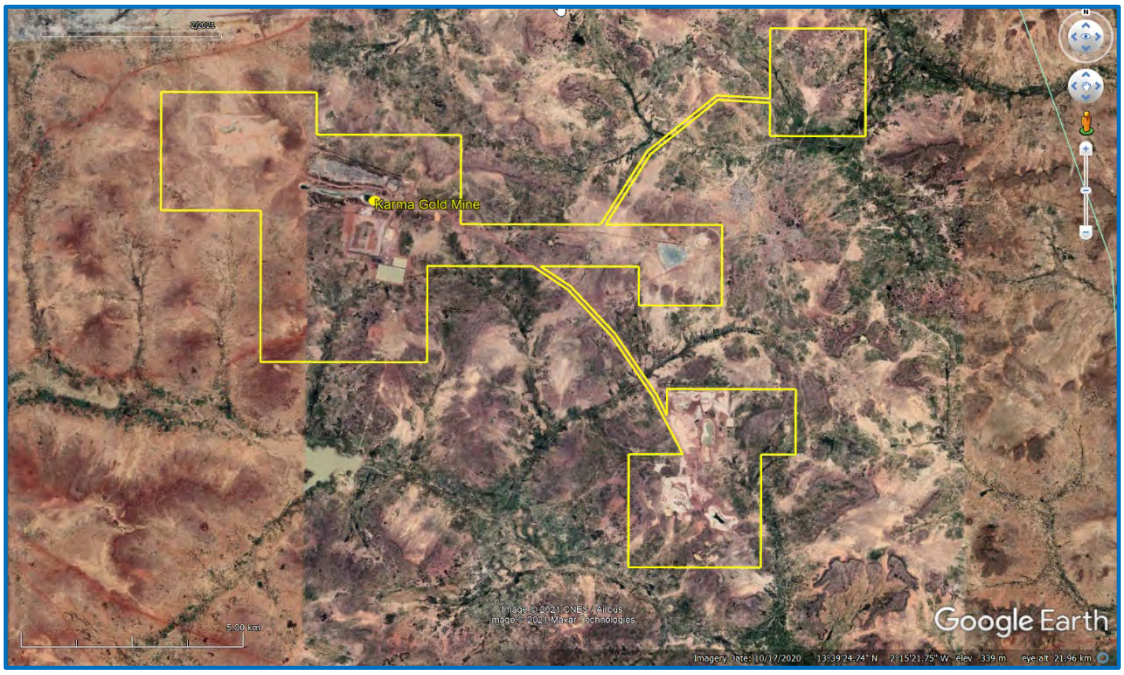
- Government royalty based on banded rates: ≤US$1,000/oz of 3.00%; >US$1,000/oz and ≤US$1,300/oz of 4.00%; and >US$1,300/oz of 5.00%, and
- Social Development Fund of 1.00% of payable metal.

The Group was obligated to deliver 100kozAu (20kozAu per annum) to Franco-Nevada Corporation and Sandstorm Gold Inc. (together the "**Syndicate**") over a five-year period in exchange for 20% of the spot price of gold for each ounce of gold delivered (the "**Ongoing Payment**"). The amount that was previously advanced for this agreement of US$100.0m is reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment.

The Group delivered an additional 7,500 ounces of gold between July 2017 and April 2019 in exchange for an additional deposit of US$5.0m received in 2017. The Group assumed the gold stream when it acquired the Karma Gold Mine on 26 April 2016. Gold ounces sold to the Syndicate under the stream agreement are recognized as revenue only on the actual proceeds received, which per the agreement is 20% of the spot gold price.

This component of the gold stream has now been successfully closed out, though following the five-year period, which commenced on 31 March 2016, the Group is committed to deliver refined gold equal to 6.5% of the gold production at the Karma Gold Mine for the life of the mine in exchange for ongoing payments.

Figure 7-2: Karma Gold Mine mineral tenure map



Historical Development

The Rambo permit was acquired from two individuals in 2003, subject to royalty interest. It was the first permit acquired in Burkina Faso by True Gold Mining Inc. (formerly Riverstone Inc. and herein after "**True Gold**"). The adjacent Kao permit was acquired in 2004 by application to the Burkina Faso ministry of mines.

In late 2007, an Option to Purchase agreement for Goulagou and Rounga was signed with Golden Star Resources Inc. Goulagou and Rounga which are contiguous to Rambo and Kao were part of the large SOMIFA permit held by Channel Resources from 1994 to 2000. The Goulagou permit was reduced in size in 2008, according to provisions of the Burkina Faso mining code, and the shed portion was reacquired as the Youba permit, which became subject to the provisions of the Option to Purchase agreement. The Tougou permit adjoining Rambo and Youba was granted to Golden Star in 2008, and it was included in the original Option to Purchase agreement in 2011. Golden Star retains certain royalty interest on the Goulagou, Rounga, Youba and Tougou permits.

In 2014, following the grant of the Karma Licence, the Goulagou permit was reshaped and renamed Bogoya. In addition, the Kao permit was split into Kao Nord and Kao Sud permits, the Rambo permit was reshaped and renamed Bonguirga. In 2016, the Rounga permit was renamed Dinguiri. In 2017, Karma project was granted two new permits: Rigui neighbouring Kao Sud to the south, and Zanna located adjacent east of Kao Sud and Rigui, and east and south of Kao Nord. The Group acquired all historic exploration data from the previous Zanna permit owner Golden Rim Resources Inc.

During 2013, detailed design and engineering work commenced focused on the development of an open pit mining operation feeding a conventional HLF with accompanying downstream circuits to produce gold in doré. Following award of the Karma Licence construction activities commenced in 2014 leading to mining operations in 2015 and first gold pour in 2016. On 26 April 2016, the Group acquired all the shares of True Gold and as a result, the Group acquired a 90% interest in Karma Gold Mine with the Government of Burkina Faso holding the remaining 10%.

Historical Operating Performance

Table 7-2 presents a summary of the technical and economic performance for Karma Gold Mine reflecting all revenue and expenditures incurred following acquisition by the Group and for 2015 through 2020. It is however important to note that the sales revenue is reported net of any stream related costs and as such the reported sales revenue is lower than the prevailing spot price and the unit cash costs reported are lower than that determined if cash costs included the cost of the stream.

Since 2016, Karma Gold Mine has mined total ore of 19.0Mt at a grade of 0.97g/tAu with an accompanying stripping ratio of 3.2t_{waste}:t_{ore}. Processing operations reported 18.8Mt grading 0.96g/tAu to produce 463koz of gold indicating an overall recovery of 79.9% to enable sales of 429koz at an overall AISC of US$877/oz. Total capital expenditures (excluding working capital) are reported at US$145.0m, however this does not include either the cost of acquisition or the original construction of the Karma Gold Mine incurred in 2015 and 2016.

In the following years (2017-2019), additional capital was expended to upgrade the stacking system, conveyor system and carbon absorption plant, such that, Karma Gold Mine now has a robust HLF capable of operating up to 5.0Mtpa. Total operating profit and total pre-tax pre-finance cashflows since acquisition reports US$137.2m and negative US$43.2m respectively.

For the 12-month period ending 31 December 2020, Karma Gold Mine processed 4.9Mt grading 0.84g/tAu with a recovery of 74.6% resulting in gold production of 98koz. Total sales in 2020 reported 98kozAu with accompanying AISC of US$1,007/oz. Financial performance statistics for 2020 indicate operating profit of US$51.3m and pre-tax pre-finance cashflows of US$43.2m.

Table 7-3 presents a summary of historical performance and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 80kozAu to 90kozAu; AISC US$1,220/oz to US$1,300/oz; and total capital expenditure of US$16.0m (non-sustaining capital expenditure of US$11.0m and sustaining capital expenditure of US$5.0m).

Table 7-2: Karma Gold Mine historical performance[(1)]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	3.2	-	3.7	3.0	2.6	4.2	3.0
Mined	(Mt)	79.59	-	8.75	15.31	16.93	19.44	19.16
Waste	(Mt)	60.61	-	6.87	11.45	12.22	15.69	14.38
Ore	(Mt)	18.98	-	1.88	3.86	4.72	3.75	4.78
	(g/tAu)	0.97	-	1.24	1.04	0.92	0.99	0.83
	(kozAu)	590	-	75	129	139	119	127
Processing	(Mt)	18.81	-	2.09	3.55	4.10	4.20	4.87
	(g/tAu)	0.96	-	1.16	1.07	0.95	0.91	0.84
	(kozAu)	580	-	78	122	125	123	132
Recovery	(%)	79.9	-	79.3	80.2	86.9	78.6	74.6
Production	(kozAu)	463	-	62	98	109	97	98
Sold	(kozAu)	429	-	29	97	108	97	98
Financial								
Revenue								
Gold Price	(US$/oz)	1,161	-	1,038	1,017	1,044	1,151	1,477
Revenue	(US$m)	497.9	-	29.8	98.6	113.1	111.2	145.2
Operating Expenditure								
Mining	(US$m)	(160.3)		(5.3)	(27.9)	(38.5)	(44.1)	(44.4)
Processing	(US$m)	(134.7)		(6.6)	(31.2)	(34.5)	(29.6)	(32.9)
Site G&A	(US$m)	(58.4)	-	(8.2)	(15.3)	(13.8)	(10.6)	(10.5)
Regional G&A	(US$m)	(13.0)	-	-	(2.6)	(3.3)	(3.4)	(3.7)
Refining, Transport, By-product	(US$m)	(1.3)	-	0.3	0.5	(0.5)	(0.8)	(0.7)
Royalty + SDF	(US$m)	(39.9)		(2.0)	(7.6)	(8.3)	(8.6)	(13.4)
Capitalised Waste	(US$m)	30.7	-	0.4	2.7	10.2	13.1	4.4
Inventory Movement (cash)	(US$m)	16.3	-	0.6	4.4	4.1	(0.2)	7.4
Total	**(US$m)**	**(360.7)**	**-**	**(20.9)**	**(76.9)**	**(84.7)**	**(84.3)**	**(94.0)**
Operating Profit	**(US$m)**	**137.2**	**-**	**9.0**	**21.6**	**28.4**	**26.9**	**51.3**
Capital Expenditure								
Growth & Exploration	(US$m)	(41.7)	-	(4.5)	(41.0)	3.8	-	(0.0)
Sustaining	(US$m)	(15.6)	-	(0.4)	(3.8)	(3.4)	(3.0)	(5.0)
Non-Sustaining	(US$m)	(87.7)	-	-	(25.1)	(25.3)	(26.9)	(10.4)
Working Capital Movement	(US$m)	(35.4)	-	(26.6)	3.6	(10.8)	14.7	(16.3)
Total	**(US$m)**	**(180.4)**	**-**	**(31.5)**	**(66.3)**	**(35.7)**	**(15.2)**	**(31.7)**
Mine Free Cashflow	**(US$m)**	**(43.2)**	**-**	**(22.5)**	**(44.7)**	**(7.3)**	**11.7**	**19.6**
Unit Rates								
Mining	(US$/$t_{mined}$)	2.01	-	0.61	1.82	2.27	2.27	2.32
Processing	(US$/$t_{proc}$)	7.17	-	3.17	8.77	8.42	7.04	6.76

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
SG&A	(US$/$t_{proc}$)	3.11	-	3.94	4.29	3.37	2.53	2.16
RG&A	(US$/$t_{proc}$)	0.69	-	-	0.73	0.81	0.80	0.76
Direct Site Costs	(US$/$t_{proc}$)	18.80	-	9.65	20.92	21.19	20.09	18.04
Refining, Transport, By-product	(US$/oz)	3.1	-	(10.6)	(4.7)	4.9	8.7	7.2
Royalty + SDF	(%)	8.0	-	6.5	7.7	7.4	7.7	9.2
AOC	(US$/oz)	819	-	657	716	781	872	956
AISC	**(US$/oz)**	**877**	**-**	**738**	**834**	**813**	**903**	**1,007**
AIC	(US$/oz)	1,217	-	915	1,560	1,050	1,180	1,188
Total Costs	(US$/oz)	1,217	-	915	1,560	1,050	1,180	1,188

(1) All information sourced from public domain reporting data.

Table 7-3: Karma Gold Mine: historical and current guidance(1)

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	-	100-110	105-115	105-115	100-110	80-90
AISC(1)	(kozAu)	-	750-800	780-830	860-910	980-1,050	1,220-1,300
Growth	(US$m)	-	35.00	-	-	-	-
Sustaining	(US$m)	-	10.00	2.00	-	13.00	11.00
Non-Sustaining	(US$m)	-	19.00	23.00	-	5.00	5.00
Exploration	(US$m)	-	4.00	1.70	-	2.00	-

(1) AISC estimate reflect the Company's reporting policy at the time of reporting.

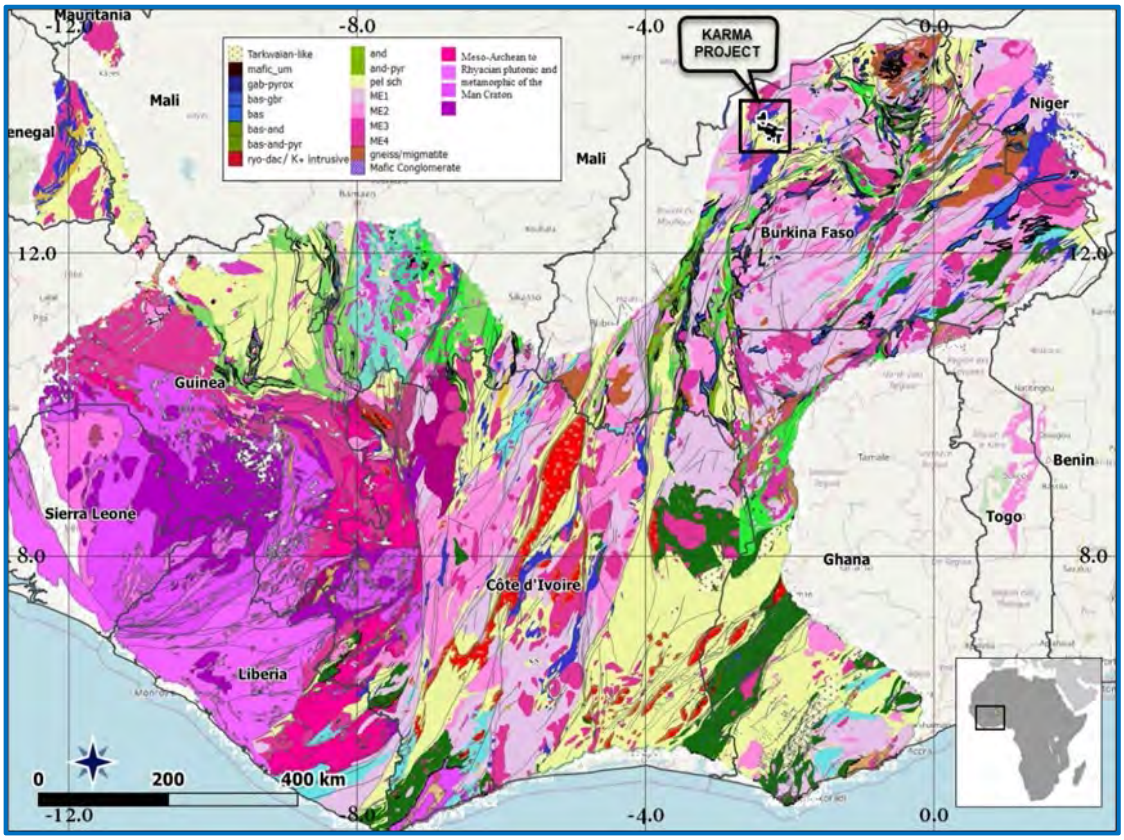
7.3 Geology and Mineral Resources

7.3.1 Regional and Deposit Geology

Karma Gold Mine is located in the Paleoproterozoic Baolé-Mossi domain of the West African Craton, specifically in the Birimian supracrustal rocks, which were probably developed upon a juvenile Paleoproterozoic crust (ca. 2.40Ga to 2.20Ga).

Karma Gold Mine (Figure 7-3) is situated in the regionally east-west trending Goren greenstone belt. The geology consists of a folded sequence of greywacke, siltstone, shale in the south-east and clastic, volcaniclastic and mafic volcanic rocks to the north-west. The western margin of the project area presents a broad north-south magnetic lineament that is interpreted as a first-order, crustal scale, sinistral, shear zone named the Ouahigouya Shear Zone ("**OSZ**"). The OSZ extends from the south into Boromo Greenstone Belt and branches in Karma Gold Mine into a series of north-east trending sub-shears reactivated during the Eburnean Orogeny between 2,130Ma and 1,980Ma.

Figure 7-3: West African sub-surface geological map



Substantial areas of the Karma Licence are covered by lateritic units, dominantly gravels and cuirasse, which form a highly indurated upper part of the lateritic regolith. Several lateritic events have resulted in weathering to depths of up to 120m. Laterites and sand cover limit the extent of bedrock outcrop in the project area and have limited the geological understanding of the region.

Seven mineral deposits at Karma have been defined up to now over the project area, namely, Kao, North Kao, GG1, GG2, Nami, Rambo and Yabonsgo.

The Kao deposit is centred on a meter scale thick mineralised structure-oriented northwest-southeast which has developed along the footwall of a reverse fault within a deformed granodiorite to quartz-monzodiorite intrusive. It has 500m of strike-length and dips from 25° to 40° to 45° towards the northeast where it remains open at depth. There are two sets of structures: (i) the dominant shallow east-dipping structure that extends the full length of the deposit in a north-west direction, which is transected by (ii) steeper, north to northeast-dipping set of quartz thinner veins that crosscut the north-west structure. The structures are weakly to intensely foliated, sericite-carbonate-silica altered and are host to multiple generations of quartz-carbonate-sericite-pyrite-arsenopyrite veining. Arsenopyrite with quartz veining generally correlate with higher gold grades.

The North Kao deposit hosted in the Kao intrusive is hidden under a thick laterite cover over laying approximately 60m of saprolite. It consists of a stacked sequence of structurally controlled tabular bodies, defined by pervasive quartz-sericite-pyrite alteration, breccia and locally distributed stockwork, shear and extensional veins. Gold is closely associated with each of these features, the main structure striking north to north-northwest. A new second zone unmined yet, the Kao North Eastern extension, discovered in 2017 is located 500m to the east running parallel to the eastern edge of the Kao Intrusive, with a known strike length of 800m and the deposit remains open to the south.

The GG1 deposit has continuous lenses of gold mineralised rock over an east-west strike length of 2,100m. It consists of up to 10 discrete lenses, ranging from five to 40m thick, dipping near vertically.

The GG2 deposit is like GG1, with an east-west strike length of 2,400m. There are 3 to 5 steeply dipping lenses along strike, with widths ranging from 5m to 30m. Higher grade steeply plunging shoots have been identified to occur at distinct flexures along the strike of the structure and extend at depth.

The Rambo deposit comprises several relatively small mineralised lenses with the main zone containing a steeply plunging mineralised shoot. The deposit has an east-west strike length of approximately 450m and dips steeply to the south, along with a down-dip length of 230m. Thicknesses of the mineralised zones ranges from about 2.5m to 25m.

The Nami deposit is composed of three mineralised lenses with shallow dips of 20° to 25° toward the west-southwest. The strike length of the Nami deposit is about 550m, with a down-plunge extent of 300m, and a thickness of the mineralised zone ranging from about 2.5m to 30m. The deposit, which exhibits good continuity, is open to the west, north and south.

The Yabonsgo deposit is located along a regional northeast striking shear zone and is defined over 600m inside a 1.3km long by 175m maximum width vertical porphyritic granodiorite body intruding an extensive meta-volcano-sedimentary unit. The mineralisation is related to a system of stacked flat to low-dipping quartz veins centred on the intrusive. The deposit is open at depth and shows discontinuous extensions toward the southwest and northeast directions along the shear zone.

The Karma deposits have characteristics of mesothermal, shear-hosted gold deposits associated with orogenic activity. Elements of stratigraphic control may result from mineralisation/alteration being channelled along specific structural/lithological controls, such as competency contrasts between intrusive and sedimentary rocks that have affected porosity and fluid flow. The Karma deposits may be best described as structurally controlled, orogenic, hydrothermal deposits.

7.3.2 Exploration Activity

Initial exploration activities in the 1990's on the Kao exploration permit by previous owners consisted of soil and rock geochemical surveys. After acquiring the property in 2004, True Gold completed a regional exploration program which included RC and diamond core drilling. The Kao deposit was discovered in 2006 during a RAB drill program on a soil geochemical anomaly.

The former Goulagou, Youba and Rounga permits were explored by Channel Resources from 1994 to 2000. From all the targets and anomalies, the GG1 and GG2 became the main focus of interest due to RAB drilling of soil geochemical anomalies. Several drilling campaigns followed during the period 2000 to 2005 and in 2007, Golden Star engaged SRK Consulting to prepare an NI 43-101 compliant resource estimate for the GG1 and GG2 deposits. Between 2007 and 2012, True Gold completed an exploration program and definition drilling. Mineral Resource updates on the deposits were completed in 2009, 2011, 2012, 2014 and also in 2017 in respect of the North Kao deposit.

Following its acquisition of the Rambo permit in 2003, True Gold completed detailed field work and drilling campaigns to delineate the Rambo gold zone and define a Mineral Resource, including in 2010 the Nami deposit, located 4km northeast of Rambo. Several NI 43-101 compliant Mineral Resource estimates were completed from 2009 to 2014. Drilling activity in 2015 was limited to near-mine site condemnation and geotechnical holes. Drilling in 2016 was focused on North Kao with a goal to upgrade the Mineral Resources from Inferred to Indicated

category.

In 2017, the Karma exploration program consisted of a total of 1,355m DD holes and 40,165m RC holes on the Goulagou corridor, Rambo West, North Kao and Yabonsgo targets, all located within 15km of the mine plant. In 2018, the exploration program consisted of a total of 990m DD holes and 28,231m AC/RC holes on Yabonsgo, Rambo West, North Kao and Rounga targets, including first test drilling on Mogombouli Main and North targets in the Zanna permit. In addition, a 21,186m auger drilling program looked for potential continuity of Kao mineralisation over a large area on and surrounding the Kao intrusive.

In 2019, a drilling program of approximately 27,000m was conducted to infill GG1, to define extensions of Kao known deposits and to identify new mineralisation elsewhere in the intrusive. In 2020, a program totalling 863 RC holes was conducted across the Kao, GG1 Nami, Kao North Rambo West and Nogo (exploration project). The program was aimed at infilling and extending mineralisation along strike for a number of the deposits, with additional focus on targets inside the mining permit.

The 2021 drilling activities are expected to occur only within the mine lease perimeter where it will benefit from the robust security measures in place and are limited to grade control support. No exploration program is planned on exploration permits in 2021. Table 7-4 presents a summary of the drilling conducted by deposit and split between resource development and grade control drilling.

Table 7-4: Karma Gold Mine: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
GG1	508	62,429	25m by 25m at best, 50m by 50m in peripheral areas	16	84		
GG2	330	39,046	50m by 40m generally	77	23		
Kao	1,019	124,378	50m by 35m consistently across the estimation area, locally 25m by 25m	35	65		
Kao North	1,124	102,000	50m by 35m consistently across the estimation target	14	73	13	
Rambo	105	13,446	25m, by 25m	61	39		
Nami	278	24,581	50m by 50m	37	34	29	
Rambo West	59	7,049	50m by 40m	55	45		
Yabonsgo	263	27,039	40m by 40m	15	50	35	
Total	**3,686**	**399,968**		**30**	**62**	**9**	**-**

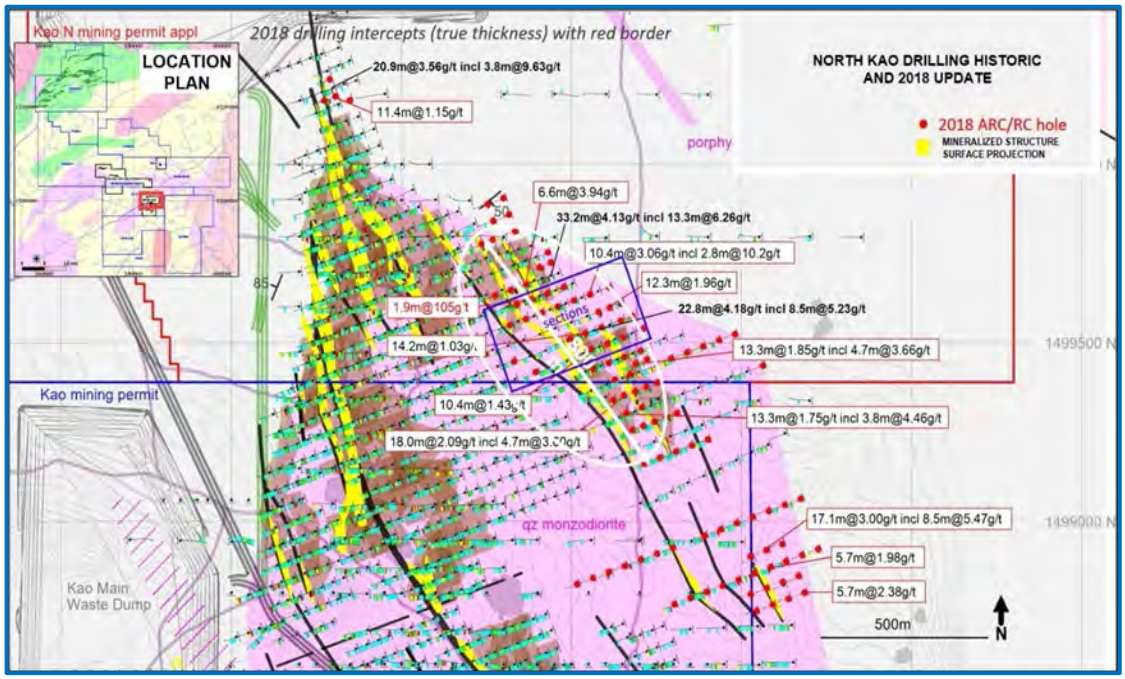
7.3.3 Quality and Quantity of Data

A comprehensive QA/QC program was established throughout the drilling campaigns. Appropriate standards and coarse blanks were inserted into the assay stream at regular intervals. Duplicate samples from the drill rig rejects were submitted at regular intervals. The results of the controls were monitored on a regular basis before assays were entered into the master assay databases.

Samples were prepared by ALS in Ouagadougou and assayed for Au at their facility; however significant numbers of pulps were assayed in Johannesburg, South Africa or in Vancouver, Canada. At exploration stage, umpire assaying over chosen subsets of mineralised interceptions were also performed at SGS laboratory in Ouagadougou.

Assaying for Au was by fire assay/atomic absorption ("**FA/AA**"), and for samples grading in excess of 1g/tAu, prior to July 2013, and 5g/tAu thereafter, by fire assay with gravimetric finish ("**FA/grav**"). Gravimetric assay values were used in preference to FA/AA numbers. The procedures adopted for sample handling and preparation, security and analyses were appropriate, and the data acquired and analysed was found by the consultants to be satisfactory for use in a mineral resource estimate calculation.

Figure 7-4: Karma Gold Mine: Kao North drill locations



Assay data verification was performed totalling 97,127 assay intervals fand used in the resource calculations for the six Karma deposits. The mineral resource estimates ("**MREs**") are based on a drill hole database in the form of a Microsoft Access Database including collar, survey and assay tables, as well as lithology, structure, weathering, oxidation state and density tables where applicable.

The drill hole databases for the resource areas were validated to ensure there were no unexplained gaps in the data, no overlapping intervals, unusual collar survey data or downhole survey irregularities. Any drill holes not able to be validated were excluded from the resource estimation.

7.3.4 Mineral Resource Estimation

Geological Domaining, Block Modelling and Interpolation

The Mineral Resources for GG2, Kao and Rambo deposits were estimated during the feasibility study work in 2013 by P&E Consultants and have been depleted by mining as of December 31, 2019, consequently, there is no change in the resources for these deposits in 2020. The Mineral Resources for Kao North, Yabonsgo, Nami and Rambo West were updated internally by the Group in 2018 and 2019 and depleted for mining for subsequent years. The GG1 MRE was also updated by Cube Consulting in 2019 and subsequently depleted for mining. Kao North and GG1 were the only active mined areas in 2020.

The estimates for the GG2 and Rambo deposits were undertaken in Gemcom Software, whereas the Kao deposit used a combination of Leapfrog and Gemcom. Kao North, Nami, Rambo West and Yabonsgo estimates were all completed using GEOVIA Surpac™ software. The GG1 was modelled and estimated in Surpac and Isatis respectively.

Figure 7-5: Karma Gold Mine: Kao North mineralised domains

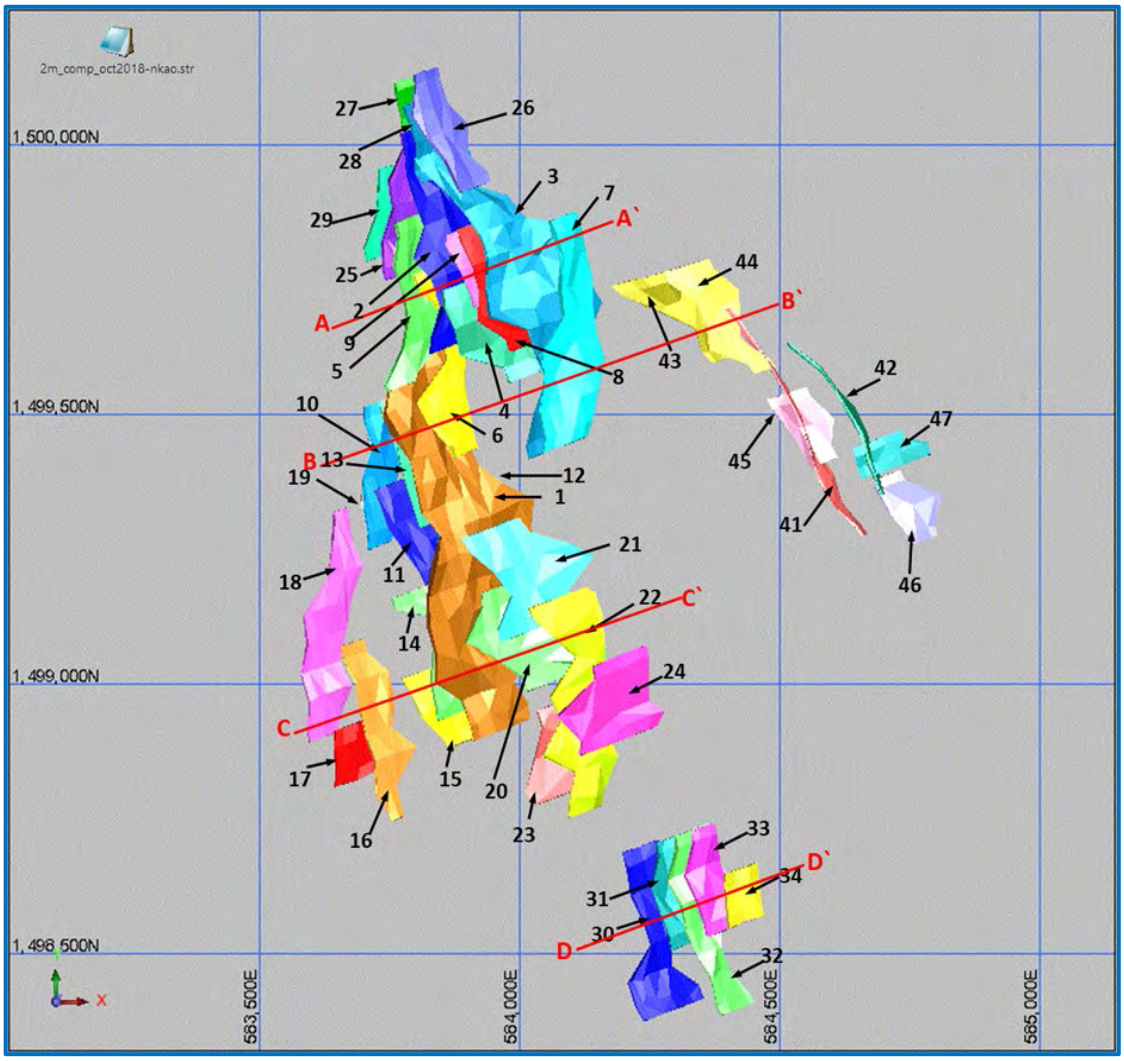
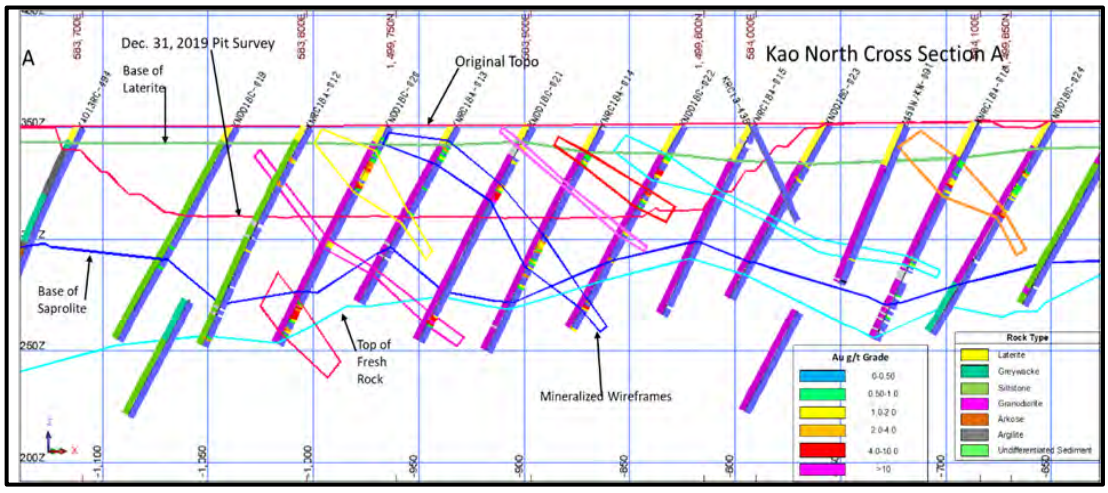


Figure 7-6: Karma Gold Mine: Kao North cross section



The mineralised domain boundaries were typically determined by lithology, structure and grade boundary interpretation from visual inspection of drill hole sections, with the exception of the Kao deposit which incorporated grade shells produced in Leapfrog. Mineralised wireframes/envelopes were defined based on a threshold of approximately 0.2g/tAu for each of the deposits, where intercepts below this threshold were occasionally included to account for

geologic continuity. A high-grade domain (>1.0g/tAu) was also created for the Kao deposit. Weathering surfaces were typically developed to define laterite, saprolite, transition and fresh components of the deposit with the laterite and saprolite codes incorporated into a single oxide horizon for the GG2, Kao and Rambo deposits. A summary of the geological parameters is presented in Table 7-5.

Capping raw assays and then compositing or compositing raw assays and then capping the composite was completed. In all cases samples were composited to 2m and capping established based on statistical and spatial analysis, ranging between 2g/tAu and 20g/tAu.

Variogram modelling was attempted in most cases with the main mineralised zones producing reasonable results, whilst the variogram modelling for the more sparsely sampled domains typically being less well defined. The grade interpolation for GG2, Kao, Rambo Kao North, Nami, Rambo West and Yabonsgo MREs were completed using IDW2. The gold grade for the GG1 deposit was interpolated using Localised Multiple Indicator Kriging ("**LMIK**") and OK estimates for larger and minor domains, respectively, in Surpac and Isatis. The interpolated block models were validated using a number of industry standard methods, including visual and statistical methods.

Densities were applied per weathering domain, based on measurements taken from core samples using the standard water displacement method. A summary of the estimation parameters is presented in Table 7-6.

Table 7-5: Karma Gold Mine: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
GG1	Sectional wireframes in Surpac at 0.2g/tAu threshold.	1,500m by 300m print for the whole deposit, stops at 200m depth where drilling stops. Mineralisation open along strike and downdip	Mostly west-east oriented, locally east-northeast Main area shallow dipping 35° to the north, while eastern extension is dipping 67° to the south-southeast Discrete lenses from 5m up to 40m thick
GG2	Sectional wireframes in Surpac at 0.2g/tAu threshold. minimum true width of approximately two meters	2,300m by x 260m at the maximum extent, mineralisation intercepted at a maximum of 100m below the surface.	110° strike, mineralisation dipping 70° to the northeast
Kao	Sectional wireframes in Surpac, plus Leapfrog, Thresholds: at 0.2g/tAu threshold. plus, high grade domain at 1.0g/tAu	2,000m by 1,000m footprint, mineralisation drilled down to 330m below surface	Dipping 20°, dip direction 50°
Kao North	Sectional wireframes in Surpac at 0.2g/tAu threshold.	1,900m by 1,000m at the maximum extent, mineralisation drilled down to 150m below surface	Dip direction 70° dipping 30°
Rambo	Sectional wireframes in GEMCOM GEMS at 0.2g/tAu threshold. minimum true width of approximately two meters	420m by x140m footprint, drilled down to 200m below the surface	west-east oriented, dipping 55° to the south True width from 5m to 15m
Nami	Sectional wireframes in Surpac at 0.2g/tAu threshold.	Mineralisation hosted in a tectonic breccia within the granodiorite country rock. Seven mineralised lenses, one possible paleo-laterite.	Sigmoidal shape, 650m long aligned north-south, 300m wide. Six primary lenses, average thickness 12m.
Rambo West	Sectional wireframes in Surpac at 0.2g/tAu threshold.	320m by 100m footprint, drilled to 110m below surface at max depth	Dip direction 225 and dipping 50° southwest
Yabonsgo	Sectional wireframes in Surpac at 0.2g/tAu threshold.	700m by 270m maximum extent, mineralisation intercepted at a maximum of 150m below the surface	Dip direction 140°, dipping 25° Set of parallel veins, average true width 3m to 7m

Table 7-6: Karma Gold Mine: resource estimation parameters

Deposit	Composite Length	High Grade Capping	Hard / Soft Boundaries	Block Model Parameters	Grade Estimation Methodology	Density Values	Block Model Validation Methodology
GG1	2m downhole intercepts extracted within the mineralised domains (pre-capping)	14 mineralised domains: 8 domains no capping applied; 6 domains capped at values from 2.5g/tAu to 8g/tAu	Hard boundaries based on a 0.2g/tAu cut-off	Panel block size 15m by 15m by 5m, user block size 5m by 5m by 2.5m (XYZ) allowing sub-blocking at 2.5m by 2.5m by 2.5m. No rotation	northeast: 14% to 34% Ranges: 35m to 70m Search Volume: 30m to 50m by 60m to 100m by 60m to 100m Min Composites: 8 Max Composites: 4 sectors, maximum 4/5 samples per sector Grade Estimation Methodology: LMIK and OK	laterite: 2 saprolite: 1.8 saprock: 2.2 fresh rock: 2.68	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks. Comparison of LUC/OK and LMIK/OK grade-tonnage estimates for different cut-offs
GG2	2m downhole intercepts extracted	11 mineralised domains: 6 domains no capping applied	Hard boundaries based on a	Parent (percent) block size 5m by 5m by 5m (XYZ), no sub-blocking	Search Volume: 45m to 120m by 45m to 120m by 15m to 40m Min Composites: 1-3 Max Composites: 20	Average values laterite: 2.24 saprolite: 1.81	Global statistics comparison of composites, block grades and different

Deposit	Composite Length	High Grade Capping	Hard / Soft Boundaries	Block Model Parameters	Grade Estimation Methodology	Density Values	Block Model Validation Methodology
	within the mineralised domains (post capping)	5 domains capped at values from 4.5g/tAu to 20g/tAu	0.2g/tAu cut-off	No rotation	Grade Estimation Methodology: IDW3	saprock: 2.29 fresh rock: 2.64	estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Kao	2m downhole intercepts extracted within the mineralised domains (post capping)	2 mineralised domains: capped at values from 3g/tAu and 40g/tAu	Hard boundaries based on a 0.2g/tAu cut-off, plus high grade domain at 1.0g/tAu	Parent (percent) block size 5m by 5m by 5m (XYZ), no sub-blocking No rotation	Search Volume: 50m to 70m by 50m to 70m by 10m to 30m Min Composites: 1-3 Max Composites: 12 Grade Estimation Methodology: IDW3	Average and estimated values saprolite: 1.57-1.65 saprock: 2.07-2.15 fresh rock: 2.66	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Kao North	1m downhole intercepts extracted within the mineralised domains (pre-capping)	Capping at 10g/tAu	Hard boundaries based on a 0.2g/tAu cut-off	Parent block size 5m by 5m by 5m (XYZ) allowing sub-blocking at 2.5m by 2.5m by 2.5m No rotation	Northeast: 0.1-0.35 Ranges: ~60m Search passes: 2 Search Volume 1: radius 60m by 60m by 15m Search Volume 2: radius 100m by 100m x 25m Min Composites: 5-7, 2-3 Max Composites: 20 Grade Estimation Methodology: IDW2	Average values saprolite: 1.96 saprock: 2.25 fresh rock: 2.62	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Rambo	2m downhole intercepts extracted within the mineralised domains (post capping)	9 mineralised domains: 4 domains no capping applied 5 domains capped at values from 2g/tAu to 45g/tAu	Hard boundaries based on a 0.2g/tAu cut-off	Parent (percent) block size 2.5m by 2.5m by 2.5m (XYZ), no sub-blocking No rotation	Search Volume: 10m to 50m by 35m to 100m by 35m to 100m Min Composites: 1-3 Max Composites: 20 Grade Estimation Methodology: IDW2	Estimated values saprolite: 1.70-1.85 saprock: 2.26-2.46 fresh rock: 2.58	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Nami	1m downhole intercepts extracted within the mineralised domains (post-capping)	3 lenses with no capping; 4 lenses capped from 1g/tAu to 5g/tAu.	Hard boundaries based on a 0.2g/tAu cut-off	Parent block size 10m by 10m by 5 m (XYZ) allowing sub-blocking at 2.5m by 2.5m by 1.25m. No rotation	Northeast: 0.1-0.3 Ranges: ~70m Search passes: 2 Search Volume 1: radius 50m by 25m by 25m Search Volume 2: radius 100m by 50m by 50m Min Composites: 3, 2 Max Composites: 15, 20 Grade Estimation Methodology: IDW2	Average values Oxide: 1.75 Transition: 2.12 Fresh Rock: 2.69	Visual comparison of block grades and drill assays Volume check between wireframes & block model
Rambo West	1m downhole intercepts extracted within the mineralised domains (pre-capping)	Capping at 10g/tAu	Hard boundaries based on a 0.2g/tAu cut-off	Parent block size 10n by 10m by 2.5m (XYZ) allowing sub-blocking at 1.25m by 2.5m by 2.5m . -56° rotation in Y	Northeast: 0.15 Ranges: ~70m Search passes: 2 Search Volume 1: radius 50m by 50m by 12.5m Search Volume 2: radius 75m by 75m by 18.75m Min Composites: 7,3 Max Composites: 20 Grade Estimation Methodology: IDW2	Average values laterite: 1.90 saprolite: 1.80 saprock: 2.30 fresh rock: 2.60	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks
Yabonsgo	1m downhole intercepts extracted within the mineralised domains (pre-capping)	Capping at 15Aug/t	Hard boundaries based on a 0.2g/tAu cut-off	Parent block size 10m by 10m by 2.5m (XYZ) allowing sub-blocking at 1.25m by 2.5m by 1.25m. 50° rotation in Y	Northeast: 0.1-0.2 Ranges: ~60m Search passes: 2 Search Volume 1: radius 50m by 50m by 12.5m Search Volume 2: radius 75m by 75m by 18.25m Min Composites: 5,3 Max Composites: 20 Grade Estimation Methodology: IDW2	Average values laterite: 2.33 saprolite: 1.88 saprock: 2.44 fresh rock: 2.77	Global statistics comparison of composites, block grades and different estimation methods used Swath plots Visual checks on section, comparing composites versus estimated blocks

Classification

Mineral Resources are classified into Indicated and Inferred categories where Mineral Resource classification within the mineralised vein wireframes are generally based on drill hole spacing, the search pass within which a block was estimated, grade continuity and overall geological continuity. The distance to the nearest composite and the number of drill holes are also considered in the classification. The Kao North, Nami, Rambo West and Yabonsgo deposits were classified on the basis of blocks within the first-grade estimation search pass, at a range of 50m to 60m, classified as Indicated Mineral Resources. The blocks estimated in the second pass are classified as Inferred Resources. A similar search pass approach to classification was applied for GG2, Kao and Rambo. The GG1 deposit has been classified based on geological and mineralisation continuity, modelling technique and local estimation

bias, with the Indicated Mineral Resource portions of the deposit being located near surface in the areas of more closely spaced drilling (circa 25m by 25m).

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance Karma Gold Mine reports its open pit Mineral resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves save for adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz utilised for reporting Ore Reserves for Karma Gold Mine. In respect of underground Mineral Resources, SRK notes that for the Karma Gold Mine, there are no Mineral Resources reported which are considered to be mineable by underground methods. All open pit Mineral Resources are reported assuming a cut-off grade ranging from 0.20g/tAu to 0.50g/tAu reflecting variations by deposit as well as assume weathering type and ultimately process method within the optimised shell derived using a long-term gold price assumption of US$1,500/oz.

It should however be noted that the current Mineral Resource as reported comprises a significant amount of transitional and fresh material at GG2, Kao and Kao North deposits which is unlikely to be economically treated using the current HLF used for processing oxide material. For the majority of the transitional and fresh material, it is assumed that this will be processable in a conventional CIL Plant and as such the unit costs assumed range up to US$25/t with process recoveries assumed at approximately 80% to 85%. Accordingly, in the event that processing of transitional and fresh material via a CIL Plant was not determined to be economic then it is likely that reassessment of the Mineral Resources based solely on processing of oxide/transitional material through the heap leach as currently assumed would be substantially reduced to approximately 10.4Mt grading 0.86g/tAu for contained gold of 290koz assuming a long term gold price of US$1,500/oz.

7.3.5 Mineral Resource Statements

As at 31 December 2020 Karma Gold Mine reports total Mineral Resources (Table 7-7) of 64.2Mt grading 1.25g/tAu containing 2.6MozAu and comprising:

- Measured Mineral Resources of 0.3Mt grading 0.40g/tAu and containing 4kozAu;
- Indicated Mineral Resources of 47.7Mt grading 1.24g/tAu and containing 1,894kozAu; and

- Inferred Mineral Resources of 16.2Mt grading 1.30g/tAu and containing 679kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 18.7Mt grading 0.79g/tAu; transitional material of 6.9Mt grading 0.96g/tAu and fresh material of 38.6Mt grading 1.52g/tAu. Mineral Resources reporting to stockpiles comprise a total of 0.3Mt grading 0.40g/tAu containing 4kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 7.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell assuming a long-term gold price of US$1,500/oz and application of a uniform cut-off grade of 0.5g/tAu for all deposits irrespective of location and weathering type. This simplification however is considered appropriate for the majority of the material reporting within the statements when assuming a marginal cut-off grade policy which largely reflects the mill cut-off grade determinations. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 7.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 7-7: Karma Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Stockpile	320	0.40	4	320	0.40	4	-	-	-	-	-	-
Subtotal	**320**	**0.40**	**4**	**320**	**0.40**	**4**	**-**	**-**	**-**	**-**	**-**	**-**
Indicated												
GG1 o/p	923	0.74	22	540	0.64	11	370	0.87	10	14	1.07	0
GG2 o/p	6,179	1.62	322	427	0.74	10	883	1.12	32	4,869	1.79	280
Kao o/p	27,340	1.16	1,016	5,751	0.56	104	2,756	0.79	70	18,833	1.39	843
Kao North o/p	8,257	1.25	333	4,130	1.19	158	646	1.30	27	3,481	1.32	148
Rambo o/p	686	1.85	41	17	0.62	0	125	2.22	9	544	1.80	31
Nami o/p	1,221	0.82	32	813	0.81	21	408	0.85	11	-	-	-
Rambo West o/p	159	1.85	9	99	1.58	5	60	2.29	4	0	2.75	0
Yabonsgo o/p	2,891	1.28	119	923	0.96	28	541	1.08	19	1,427	1.56	72
Subtotal	**47,656**	**1.24**	**1,894**	**12,700**	**0.83**	**338**	**5,789**	**0.98**	**182**	**29,167**	**1.47**	**1,374**
Measured + Indicated												
GG1 o/p	923	0.74	22	540	0.64	11	370	0.87	10	14	1.07	0
GG2 o/p	6,179	1.62	322	427	0.74	10	883	1.12	32	4,869	1.79	280
Kao o/p	27,340	1.16	1,016	5,751	0.56	104	2,756	0.79	70	18,833	1.39	843
Kao North o/p	8,257	1.25	333	4,130	1.19	158	646	1.30	27	3,481	1.32	148
Rambo o/p	686	1.85	41	17	0.62	0	125	2.22	9	544	1.80	31
Nami o/p	1,221	0.82	32	813	0.81	21	408	0.85	11	-	-	-
Rambo West o/p	159	1.85	9	99	1.58	5	60	2.29	4	0	2.75	0
Yabonsgo o/p	2,891	1.28	119	923	0.96	28	541	1.08	19	1,427	1.56	72
Stockpile	320	0.40	4	320	0.40	4	-	-	-	-	-	-
Subtotal	**47,976**	**1.23**	**1,898**	**13,020**	**0.82**	**342**	**5,789**	**0.98**	**182**	**29,167**	**1.47**	**1,374**
Inferred												
GG1 o/p	2,430	0.90	70	2,055	0.88	58	367	0.98	12	7	1.11	0
GG2 o/p	989	1.04	33	232	0.64	5	202	0.74	5	555	1.32	23
Kao o/p	8,119	1.48	385	1,591	0.51	26	348	0.52	6	6,180	1.78	353
Kao North o/p	2,500	1.63	131	447	1.84	26	48	2.62	4	2,005	1.56	101
Rambo o/p	604	0.92	18	66	0.59	1	92	0.54	2	446	1.05	15
Nami o/p	820	0.25	7	813	0.21	6	7	4.00	1	-	-	-
Rambo West o/p	9	1.18	0	9	1.18	0	-	-	-	-	-	-
Yabonsgo o/p	777	1.38	35	442	0.72	10	52	1.66	3	283	2.37	22
Subtotal	**16,247**	**1.30**	**679**	**5,655**	**0.73**	**133**	**1,116**	**0.88**	**32**	**9,476**	**1.69**	**514**
Mineral Resources												
GG1 o/p	3,353	0.85	92	2,595	0.83	70	737	0.92	22	21	1.08	1
GG2 o/p	7,168	1.54	355	659	0.71	15	1,085	1.05	37	5,424	1.74	303
Kao o/p	35,459	1.23	1,402	7,342	0.55	130	3,104	0.76	76	25,013	1.49	1,196
Kao North o/p	10,757	1.34	464	4,577	1.25	184	694	1.39	31	5,486	1.41	248
Rambo o/p	1,289	1.41	59	83	0.60	2	217	1.51	11	990	1.46	46
Nami o/p	2,041	0.59	39	1,626	0.51	27	415	0.90	12	-	-	-
Rambo West o/p	168	1.81	10	108	1.55	5	60	2.29	4	0	2.75	0
Yabonsgo o/p	3,668	1.30	153	1,365	0.88	39	593	1.13	22	1,710	1.69	93
Stockpile	320	0.40	4	320	0.40	4	-	-	-	-	-	-

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Total	**64,224**	**1.25**	**2,577**	**18,675**	**0.79**	**475**	**6,905**	**0.96**	**214**	**38,644**	**1.52**	**1,888**

7.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 7-8 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are: an overall reduction of 146koz which compares with total mining depletion of 127kozAu and limited changes in the contained gold reported for the Inferred Mineral Resource category. This is however net of a significant increase at Kao North (+405kozAu) and a significant reduction at Nami o/p (-498kozAu). Mineral Resources were reported within an optimised shell assuming a gold price of US$1,500/oz for 2017 through 2020 with the exception of 2018 which was reported at US$1,557/oz.

Table 7-9 presents a total Mineral Resource comparison between historical reporting periods for Karma Gold Mine from 2016 through 2020 inclusive. The analysis focuses primary on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. Comparing a 2016 depletion adjusted 'estimate' of future Mineral Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resources have reduced by some 20.0Mt at a grade of 0.76g/tAu. This should however be seen in the light of a reduction (potential upgrading) of Inferred Mineral Resources (totalling 3.1Mt) and total Mineral Resource equivalent resource depletion of 16.0Mt grading 1.14g/tAu for a total of 590kozAu. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate that overall, the total resource has generally declined in excess of depletion over the reporting period.

Table 7-8: Karma Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Stockpile	320	0.40	4	8	0.03	0	312	0.38	4
Subtotal	**320**	**0.40**	**4**	**8**	**0.03**	**0**	**312**	**0.38**	**4**
Indicated									
GG1 o/p	923	0.74	22	(2,807)	(0.04)	(71)	3,730	0.78	93
GG2 o/p	6,179	1.62	322	-	(0.00)	(0)	6,179	1.62	322
Kao o/p	27,340	1.16	1,016	-	-	-	27,340	1.16	1,016
Kao North o/p	8,257	1.25	333	7,571	(0.60)	292	686	1.85	41
Rambo o/p	686	1.85	41	(535)	1.03	9	1,221	0.82	32
Nami o/p	1,221	0.82	32	(8,835)	(0.43)	(373)	10,056	1.25	406
Rambo West o/p	159	1.85	9	-	-	-	159	1.85	9
Yabonsgo o/p	2,891	1.28	119	-	-	-	2,891	1.28	119
Subtotal	**47,656**	**1.24**	**1,894**	**(4,606)**	**0.02**	**(144)**	**52,262**	**1.21**	**2,038**
Measured + Indicated									
GG1 o/p	923	0.74	22	(2,807)	(0.04)	(71)	3,730	0.78	93
GG2 o/p	6,179	1.62	322	-	(0.00)	(0)	6,179	1.62	322
Kao o/p	27,340	1.16	1,016	-	-	-	27,340	1.16	1,016
Kao North o/p	8,257	1.25	333	7,571	(0.60)	292	686	1.85	41
Rambo o/p	686	1.85	41	(535)	1.03	9	1,221	0.82	32
Nami o/p	1,221	0.82	32	(8,835)	(0.43)	(373)	10,056	1.25	406
Rambo West o/p	159	1.85	9	-	-	-	159	1.85	9
Yabonsgo o/p	2,891	1.28	119	-	-	-	2,891	1.28	119
Stockpile	320	0.40	4	8	0.03	0	312	0.38	4
Subtotal	**47,976**	**1.23**	**1,898**	**(4,598)**	**0.02**	**(144)**	**52,574**	**1.21**	**2,042**
Inferred									
GG1 o/p	2,430	0.90	70	(50)	0.00	(1)	2,480	0.90	72
GG2 o/p	989	1.04	33	-	-	-	989	1.04	33
Kao o/p	8,119	1.48	385	-	-	-	8,119	1.48	385
Kao North o/p	2,500	1.63	131	1,896	0.71	113	604	0.92	18
Rambo o/p	604	0.92	18	382	0.01	11	222	0.91	7
Nami o/p	820	0.25	7	(1,694)	(1.38)	(125)	2,514	1.63	132
Rambo West o/p	9	1.18	0	-	-	-	9	1.18	0

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Yabonsgo o/p	777	1.38	35	-	-	-	777	1.38	35
Subtotal	**16,247**	**1.30**	**679**	**534**	**(0.05)**	**(2)**	**15,714**	**1.35**	**681**
Mineral Resources									
GG1 OP	3,353	0.85	92	(2,857)	0.03	(73)	6,210	0.82	165
GG2 OP	7,168	1.54	355	-	(0.00)	(0)	7,168	1.54	355
Kao OP	35,459	1.23	1,402	-	-	-	35,459	1.23	1,402
Kao North OP	10,757	1.34	464	9,468	(0.07)	405	1,289	1.41	59
Rambo OP	1,289	1.41	59	(154)	0.58	20	1,443	0.83	39
Nami OP	2,041	0.59	39	(10,529)	(0.74)	(498)	12,570	1.33	537
Rambo West OP	168	1.81	10	-	-	-	168	1.81	10
Yabonsgo OP	3,668	1.30	153	-	-	-	3,668	1.30	153
Stockpile SP	320	0.40	4	8	0.03	0	312	0.38	4
Total	**64,224**	**1.25**	**2,577**	**(4,064)**	**0.01**	**(146)**	**68,287**	**1.24**	**2,723**

Table 7-9: Karma Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined (In-situ equivalent)		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	84,269	1.10	2,981	2,118	1.10	75
2017	81,756	1.09	2,871	3,677	1.09	129
2018	75,320	1.10	2,655	3,957	1.10	139
2019	52,574	1.21	2,042	3,069	1.21	119
2020	47,976	1.23	1,898	3,213	1.23	127
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	82,151	1.10	2,906	2,118	1.10	75
2017	78,475	1.09	2,777	3,281	0.89	94
2018	74,518	1.10	2,637	802	0.67	17
2019	71,449	1.21	2,518	(18,875)	0.78	(476)
2020	68,236	1.23	2,391	(20,260)	0.76	(493)
Period	**Reported**			**Variance to 2016**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	19,338	1.27	791	-	-	-
2017	21,429	1.32	909	2,091	0.05	117
2018	17,919	1.34	772	(1,419)	0.07	(20)
2019	15,714	1.35	681	(3,624)	0.07	(111)
2020	16,247	1.30	679	(3,091)	0.03	(112)

7.3.7 Reconciliation

Reconciliation practices at Karma Gold Mine are completed in accordance with the Group Standard for the reconciliation of produced grade and tonnage which outlines a process for the systematic collection, recording and analysis of mine production data relating to the exploration models, grade-control models, mining and metallurgical accounting statistics. The key statistical measures include the following metrics:

- Mineral Resource Model Factor ("**MRMF**") which compares ratio of the sum of plant accounted and stockpile changes to the Mineral Resource Model ("**MRM**") blocked to the selective mining unit ("**SMU**") and reported on an in-situ basis;
- Grade Control Model Factor ("**GCMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Grade Control Model ("**GCM**") blocked to the SMU and reported on an in-situ basis;
- Ore Reserve Model Factor ("**ORMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Ore Reserve Model ("**ORM**") reported on a diluted/re-blocked model basis;
- Mine Design to Mineral Resource Model Factor ("**MDMRMF**") which compares the mine design model (short term plan) survey results to the MRM blocked to the SMU and reported on an in-situ basis; and
- The Plant Received to Delivered to Plant ("**PR-DP**") is a measure of the estimated feed tonnage and grade in comparison to that measured in the Plant with measurements based on belt weightometer to agglomerator feed grade. The actual determination includes Plant Received less Delivered to Plant divided by Delivered to Plant.

The ore control strategy targeting delineation of ore and waste uses RC holes piercing multiple

benches. The use of RC grade control drilling, on a 12m x 12m pattern with 1m sample intervals and interpretation/modelling of the results by mine geologists is the primary method of grade control used for ore delineation Ore zones. All RC holes are assumed to be drilled at a dip around -50° for GG1 and -60° for Kao North, to a depth of 20m to 30m depending on the pit and the programme. Grade control drilling is contracted out to FTE for the pits. Advance grade control drilling as deep as 60m is also undertaken where Mineral Resources are mainly classified as Inferred Mineral Resources and is contracted out to Bonodon. Bonodon has one rig and FTE has two rigs on site, and SGS with their laboratory on site are contracted to carry out sampling analysis.

Multiple reconciliation measures are calculated each month in order that the relationship between various stages in the model to mine to mill chain can be better understood. Principally the mining allocated (or declared ore mined) measure is calculated from the plant accounted tonnes and metal plus the change in stockpiles, which can then be compared to the depletion of the Mineral Resource and grade control models. The resultant factors indicate the net change or relative ore loss and dilution from infill grade control drilling, ore perimeter design, and mining process inclusive of blast movement (where required). These factors can be used to modify the factors applied in short-term and long-term planning processes.

Figure 7-7 presents the diagrammatic representation of the reconciliation analysis for all deposits at Ity Gold Mine mined for a 24-month period ending 31 December 2020. Detailed analysis by deposit indicates significant variability, however it should be noted that in respect of the Karma HLF, the process feed comprises multiple feed sources which are co-stacked and therefore all metallurgical accounting statistics are back allocated based on assumed contributions from stockpile reclamation and direct feed from the mining operations. Accordingly, as campaign processing of individual sources is not practiced it is extremely difficult to ascertain confidence in the detailed resolution at a deposit level. This aside, SRK notes that for the period in question the factors comparing the Declared Ore Mined to the Mineral Resource Models is reported at 1.08 for ore tonnage and 0.94 for gold content. There are however periods of significant variations and for the MDMRMF the specific statistics reported are 0.81 for tonnage and 0.80 for contained metal which is considered to be relatively poor.

Figure 7-7: Karma Gold Mine: all deposits reconciliation analysis (24-month period ending 31 December 2020)

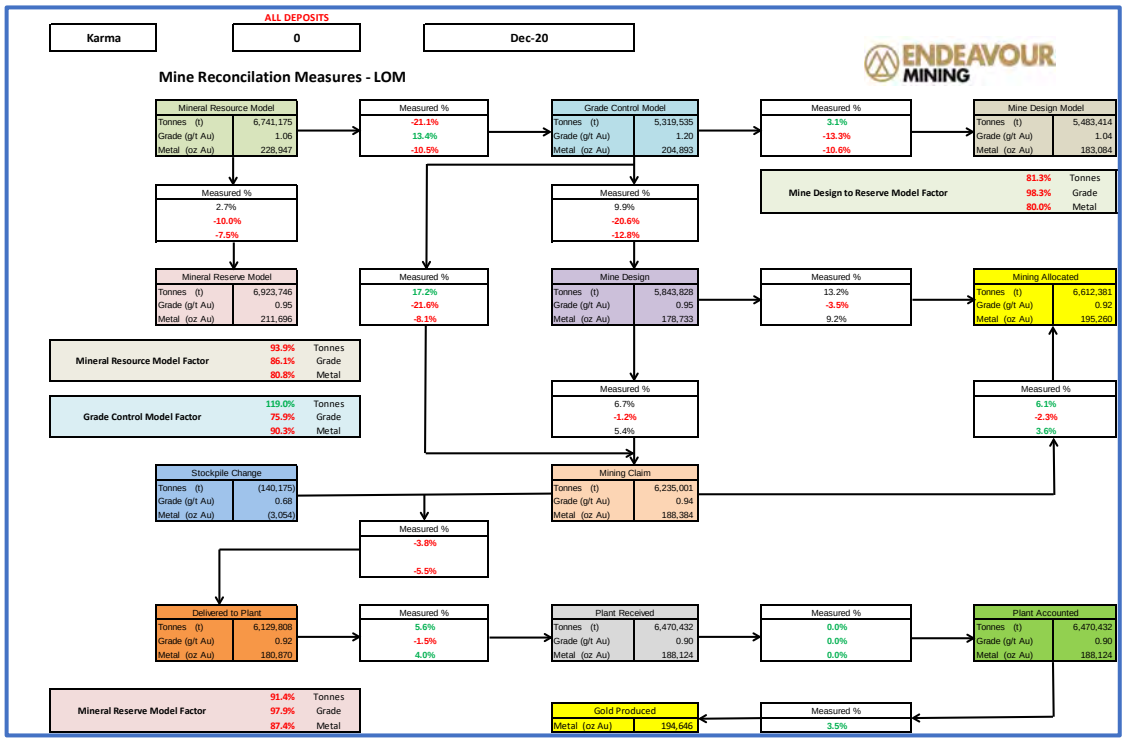


Table 7-10: Karma Gold Mine: resource model to grade control to declared Ore Mined reconciliation

Total	Mineral Resource Model			Grade Control Model			Declared Ore Mined		
	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)	(kt)	(g/tAu)	(kozAu)
Historical									
2016	2,406	1.26	98	3,662	1.55	183	3,073	1.58	156
2017	4,447	1.53	219	4,786	1.35	208	4,970	1.20	192
2018	4,626	1.22	182	4,141	1.07	143	4,683	0.93	139
2019	2,503	1.27	102	2,426	1.23	96	2,838	0.96	88
2020	4,844	0.94	147	3,803	1.06	129	4,781	0.83	127
Total	**18,826**	**1.24**	**748**	**18,819**	**1.25**	**758**	**20,345**	**1.07**	**703**
2019									
Kao North	657	1.43	30	779	1.57	39	927	1.23	37
Kao Main	1,846	1.21	72	1,647	1.07	57	1,912	0.83	51
Total	**2,503**	**1.27**	**102**	**2,426**	**1.23**	**96**	**2,838**	**0.96**	**88**
2020									
GG1	3,409	0.73	80	2,369	0.82	62	2,831	0.66	60
Kao North	1,435	1.45	67	1,435	1.45	67	1,950	1.06	67
Total	**4,844**	**0.94**	**147**	**3,803**	**1.06**	**129**	**4,781**	**0.83**	**127**

Table 7-11: Karma Gold Mine: reconciliation analysis

Deposits	MRM-GCM			GCM-DOM			RM-DOM		
	($F1_T$)	($F1_G$)	($F1_C$)	($F2_T$)	($F2_G$)	($F2_C$)	($F3_T$)	($F3_G$)	($F3_C$)
Historical									
2016	1.52	1.23	1.87	0.84	1.02	0.85	1.28	1.25	1.60
2017	1.08	0.88	0.95	1.04	0.89	0.93	1.12	0.78	0.88
2018	0.90	0.88	0.79	1.13	0.86	0.98	1.01	0.76	0.77
2019	0.97	0.97	0.94	1.17	0.78	0.92	1.13	0.76	0.86
2020	0.79	1.12	0.88	1.26	0.78	0.98	0.99	0.88	0.87
Total	**1.00**	**1.01**	**1.01**	**1.08**	**0.86**	**0.93**	**1.08**	**0.87**	**0.94**
2019									
Kao North	1.19	1.09	1.30	1.19	0.79	0.94	1.41	0.86	1.21
Kao Main	0.89	0.88	0.79	1.16	0.78	0.90	1.04	0.69	0.71
Total	**0.97**	**0.97**	**0.94**	**1.17**	**0.78**	**0.92**	**1.13**	**0.76**	**0.86**
2020									
GG1	0.69	1.12	0.78	1.20	0.81	0.97	0.83	0.91	0.76
Kao North	1.00	1.00	1.00	1.36	0.74	1.00	1.36	0.74	1.00
Total	**0.79**	**1.12**	**0.88**	**1.26**	**0.78**	**0.98**	**0.99**	**0.88**	**0.87**

7.3.8 Exploration Potential

There are 43 exploration targets at different development stages identified on the Karma Licences and nearby exploration permits. Most targets, as well as the eight existing deposits, are located at / or near still active, or formerly active artisanal mining sites. Recent exploration work focused on near-mine targets, especially testing granodiorite / sediments contacts and

vicinities, as in between GG2 and Rambo deposits, or over the Kao intrusive and at Yabonsgo artisanal mining site.

Kao intrusive remains an area with a good potential to add new resources while most of the other south-east located targets deserve further systematic AC/RC drilling to target more Kao or Nami styles of mineralisation. Toward the northwest, the Yabonsgo deposit is located along a deformation corridor believed to run in an east-northeast direction from south of Naou occurrence, tested positively with 10 drillholes and still open in all directions, up to the Saima artisanal mining site located more than 10km away to the north and still untested with AC/RC drilling.

7.4 Mining and Ore Reserves

At the Karma Gold Mine, the selected mining approach is by conventional open-pit excavator-truck operation. Loading, hauling and pit floor road and dump maintenance is now carried out by contract mining, following sale of the mining fleet and spare parts to SFTP after an extensive tender process completed in June 2020. The majority of the on-site mining workforce was immediately employed by SFTP.

Mining has historically been done by three Komatsu PC1250 excavators and thirteen Komatsu HD785 100t dump trucks, though a fourth PC1250 and three additional HD785 trucks were mobilised to Karma in early 2021 to support delivery of the mining schedule and planned equipment rebuilds. The load and haul fleet are supported by an ancillary fleet including a wheel dozer, four track dozers and two motor graders.

The material mined is primarily free digging, although during certain periods of the LoM, drill and blast activities are required at a relatively low powder factor to blast hard laterite or clay material. Production drilling and blast activities are carried out by SFTP using one DP1500 Sandvik Drill Rig – top hammer, mainly drilling 115mm to 127mm diameter holes to a depth of 10m with no sub-drill on account of the material being blasted. Explosives are supplied by BME as a down the hole service, using INNOVEX 100 emulsion.

Mining is undertaken in flitches of 2.5m in ore to achieve a higher degree of selectivity in loading and hauling operations.

Historical mining from 2015 through 2020 records a total of 79.6Mt of material mined which has significantly increased from 8.8Mt in 2016 through to 19.2Mt in 2020. Total ore mined to 31 December 2020 is reported at 19.0Mt grading 0.97g/tAu at an average stripping ratio of $3.2t_{waste}:t_{ore}$.

The current LoMp assumes mining of a total of 34.4Mt of material at a rate which remains range bound between 19Mtpa and 21Mtpa. Total Ore Reserves mined from five open pits are reported at 5.2Mt grading 0.93g/tAu at an average stripping ratio of $5.7t_{waste}:t_{ore}$. Mining operations are planned to continue from 2021 through to 2022 at which point the current Ore Reserves are depleted.

7.4.1 Historical Performance

Analysis of historical production (Table 7-12) to date indicates that mining operations have increased from an initial mining rate of 8.8Mtpa to the 19.2Mtpa reported in 2020. Total ore mined since 2017 has remained range bound between 3.7Mtpa and 4.8Mtpa with grades generally reducing from an initial 1.24g/tAu to the current 0.83g/tAu and stripping ratios typically ranging from $2.6t_{waste}:t_{ore}$ to $4.2t_{waste}:t_{ore}$. Since commencement of operations, Karma Gold Mine has mined a total of 79.6Mt comprising 60.6Mt of waste and 19.0Mt of ore grading 0.97g/tAu with an accompanying stripping ratio of $3.2t_{waste}:t_{ore}$. Mining operations in 2020 were focused on GG1 and Kao North with GG2 and Kao Main now essentially depleted (Table 7-13).

Operating expenditures for 2020 indicated an average of US$2.32/$t_{mined}$ with direct mining expenditures contributing US$1.80/$t_{mined}$, and US$0.19/tmilled for fleet maintenance, with and additional US$1.32/$t_{ore}$ surface haulage cost for Kao Main and GG1 ore to be trucked to the RoM pad which is pro-rated over the total tonnes mined.

The key mining focus for the remaining two years of Ore Reserve prior to planned depletion in 2022 is to establish production at Nami, Rambo West and Yabonsgo. More than 50% of mining production at Kao North (Phase 3) may not be accessible in 2021 as a result of the grave relocation programme for which authorisation is presently being sought.

Table 7-12: Karma Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	79,591	-	8,753	15,313	16,932	19,435	19,158
Waste	(kt)	60,608	-	6,874	11,450	12,217	15,690	14,377
Capitalised	(kt)	11,942	-	-	-	3,938	5,102	2,901
Operating	(kt)	48,667	-	6,874	11,450	8,278	10,587	11,477
Ore	(kt)	18,983	-	1,879	3,862	4,715	3,745	4,781
	(g/tAu)	0.97	-	1.24	1.04	0.92	0.99	0.83
	(koz)	590	-	75	129	139	120	127
Stripping Ratio	(t_{waste}:t_{ore})	3.2	-	3.7	3.0	2.6	4.2	3.0
Opex								
Mining	(US$m)	135.18	-	11.65	21.05	31.14	36.89	34.45
Hauling	(US$m)	6.29						6.29
Maintenance	(US$m)	25.30				6.86	7.37	7.37	3.70
Total	**(US$m)**	**166.77**	**-**	**11.65**	**27.90**	**38.51**	**44.27**	**44.44**
Mining	(US$/t)	1.70	-	1.33	1.37	1.84	1.90	1.80
Hauling	(US$/$t_{ore}$)	0.33	-	-	-	-	-	1.32
Maintenance	(US$/t)	0.32	-	-	0.45	0.44	0.38	0.19
Total	**(US$/t)**	**2.10**	**-**	**1.33**	**1.82**	**2.27**	**2.28**	**2.32**

Table 7-13: Karma Gold Mine: historical mining statistics for 2019 and 2020

Deposit	Total Mined (kt)	Ore (kt)	(g/tAu)	Stripping Ratio (t_{waste}:t_{ore})
2020				
GG1	7,245	2,831	0.66	1.6
Kao North	11,913	1,950	1.06	5.1
Total	**19,158**	**4,781**	**0.83**	**3.0**
2019				
Kao North	13,014	1,825	1.16	6.1
Kao Main	6,421	1,920	0.83	2.3
Total	**19,435**	**3,745**	**0.99**	**4.2**

7.4.2 Mine Design, Planning and Scheduling

At the Karma Gold Mine all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 2.5m (Z) dimensions. Dilution is applied on the basis of (1+dilution%) and ore loss applied to both diluted tonnage and gold content on the basis of (1-loss%) (Table 7-14). The current Ore Reserves are reported assuming a mill feed cut-off grade determined based on a suite of deposit specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates within each deposit (Table 7-15). Only transitional and oxide ore is considered for processing and all fresh ore is treated as waste due to its low recovery on the heap leach.

The mining costs are initially determined through assuming application of a range of mining related operating expenditures (Table 7-16) which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs applied are based on the specific determinations per weathering type within each deposit and also include an assumed process plant sustaining cost for capital replacement of US$1.00/t.

The resulting unit operating costs as derived from the block models are as reflected in Table 7-17 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades assume a long-term gold price of US$1,300/oz a royalty determination of 3.50% and selling cost assumptions of US$9.10/oz. The resulting

mill feed cut-off grade determinations are presented in Table 7-18 below and range from a low of 0.30g/tAu to a high of 0.50g/tAu.

Table 7-14: Karma Gold Mine: assumed modifying factors

Deposit	In-Situ Dilution			Grade Factor on Diluted			Metallurgical Recovery		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
GG1	5.0	5.0	5.0	-	-	-	74.00	67.00	67.00
GG2	5.0	5.0	5.0	-	-	-	74.00	67.00	67.00
Kao North	5.0	5.0	5.0	10.0	10.0	10.0	83.00	78.00	78.00
Rambo	5.0	5.0	5.0	-	-	-	94.00	80.00	80.00
Nami	5.0	5.0	5.0	-	-	-	93.00	80.00	80.00
Rambo West	5.0	5.0	5.0	-	-	-	94.00	80.00	80.00
Yabonsgo	5.0	5.0	5.0	-	-	-	86.00	70.00	70.00

(1) Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 7-15: Karma Gold Mine: assumed metallurgical recoveries

Deposit	Recovery			LoM Recovery		
	Oxide (%)	Transition (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
GG1	74.00	67.00	67.00	74.00	66.60	66.60
GG2	74.00	67.00	67.00	74.00	66.60	66.60
Kao North	83.00	78.00	78.00	83.44	75.40	75.40
Rambo	94.00	80.00	80.00	83.44	75.40	75.40
Nami	93.00	80.00	80.00	83.44	75.40	75.40
Rambo West	94.00	80.00	80.00	83.44	81.10	81.10
Yabonsgo	86.00	70.00	70.00	83.44	75.40	75.40

Table 7-16: Karma Gold Mine: assumed mining cost inputs

Deposit	Waste Mining			Ore Diff+GC+Re+OH Mining			s/p	OVH
	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	(US$/t)	(US$/t)
GG1	1.17	2.60	2.60	0.35	0.35	0.35	-	1.00
GG2	1.17	2.60	2.60	0.35	0.35	0.35	-	1.00
Kao North	1.13	2.54	2.54	0.18	0.18	0.18	-	1.49
Rambo	1.21	2.47	2.47	0.66	0.66	0.66	-	1.10
Nami	1.09	2.46	2.46	1.11	1.11	1.11	-	1.80
Rambo West	1.21	2.47	2.47	0.66	0.66	0.66	-	1.10
Yabonsgo	0.88	2.45	2.45	1.10	1.10	1.10	-	2.35

Table 7-17: Karma Gold Mine: assumed operating cost inputs (cut-off-grade) applied to diluted ore

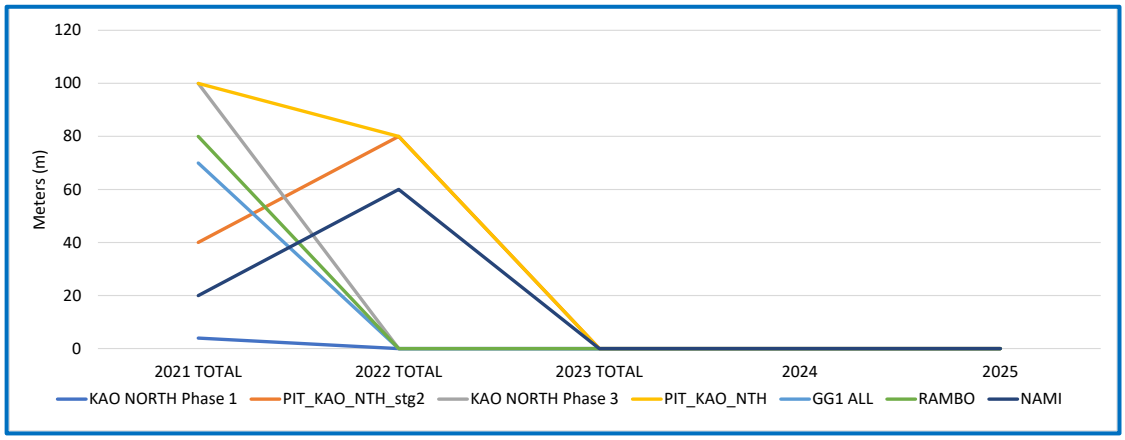
Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
GG1	1.17	7.65	8.81	12.91	3.19	8.93	10.09	14.19	10.84	12.00	16.10
GG2	1.17	7.65	8.81	12.91	3.19	8.93	10.09	14.19	10.84	12.00	16.10
Kao North	1.13	7.53	8.15	12.91	3.19	8.81	9.43	14.19	10.72	11.34	16.10
Rambo	1.21	7.85	8.55	10.61	3.19	9.13	9.83	11.89	11.04	11.74	13.80
Nami	1.09	7.58	8.43	14.31	3.19	8.86	9.71	15.59	10.77	11.62	17.50
Rambo West	1.21	8.04	8.55	12.91	3.19	9.32	9.83	14.19	11.23	11.74	16.10
Yabonsgo	0.88	8.01	8.19	12.91	3.19	9.29	9.47	14.19	11.20	11.38	16.10

Table 7-18: Karma Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
GG1	0.40	0.50	1.40
GG2	0.40	0.50	1.40
Kao North	0.34	0.40	1.40
Rambo	0.30	0.40	1.40
Nami	0.40	0.40	1.60
Rambo West	0.30	0.40	1.40
Yabonsgo	0.40	0.50	1.60

Typically, vertical advance (sink) rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at Karma Gold Mine, open pit sink rates are generally less than the recommended 80m to 100m range.

Figure 7-8: Karma Gold Mine: open pit sink rate assessment



7.4.3 Hydrology and Dewatering

In general, the near surface saprolite, shallow weathered system is the main source of water for local community wells. These aquifers occurs within moderately permeable silty clay material. In addition, the fractured granodiorite contact (transition zone) between the overlying saprolite and the fresh granodiorite bedrock also contains water bearing units. Historical technical studies indicated that a saturated zone which affects mining extends from the shallow weathered horizon down to the fractured zone.

The geotechnical pit slope designs have generally assumed depressurised slopes and some of the historical pits (Rambo) have experienced challenges in securing sufficient dewatering to maintain safe mining conditions. To date active dewatering is assumed for some of the pits, however these are relatively short life operations and in some instances the slopes have been further softened below the recommended geotechnical design, indicating that these may no longer assume active dewatering.

7.4.4 Mining Geotechnics

The mining geotechnical design considerations for the Karma Gold Mine are noted within the context of the relatively low remaining life however historically the operations have been subject to challenges due to excessive pore water pressure noted in saprolite material in some pits e.g. Rambo. Since this time internal geotechnical studies have been carried out and pit designs modified as required.

Kao North open pit

At Kao North the pit is generally formed within the saprolite and the slope design assumes successful slope depressurisation. The pit is being mined in Stages and there was one minor failure in Stage 1 and two minor failures in Stage 3 (the latter affected by the proximity of graves that are still to be approved for relocation and which have impacted on the ability to install perimeter borehole pumps. Aside from this, mining conditions in this pit have been good.

Rambo West open pit

This is a small open pit and is generally formed within saprolite. The IRA applied is shallower than the geotechnical recommendation which originally assumed depressurised slopes.

Yabonsgo open pit

This is a small pit generally formed with in saprolite, however no detailed geotechnical design reports have been completed to date. The assumed IRA are similar to that observed in other pits at Karma Gold Mine.

GG1 and Nami open pits

These pits are relatively small and only open for a limited period. They are both generally formed in saprolite and have IRAs which are much shallower than the geotechnical recommendation for depressurised slopes.

Table 7-19: Karma Gold Mine: Geotechnical and hydrogeological design considerations

Pit	Geotechnical Information	Geotechnical Design Criteria		Reserve Pit Design Criteria	
Rambo West	Technical Report on Updated Feasibility Study (GG1, GG11, Kao, Rambo & Nami) and a PEA (North Kao) for the Karma Gold project, Burkina Faso. Various Contributors. December 2014.	~ Sap IRA (°)	48	~Sap Thickness (m)	40
				~ Sap IRA (°)	27
		~ Rock IRA (°)	43	~ Rock Thickness (m)	Minimal rock slope in reserve pit
				~ Rock IRA (°)	
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Yes (number unknown)
				Drainholes	Unknown
	Open Pit Design Summary			~OSA -northeast	~23°
				~OSA -southwest	~38°
				~Maximum Elevation	376mRL
				~Minimum Elevation	304mRL
				~Max Depth (m)	72
Kao North	No GT data collection, analysis or report available	~ Sap IRA (°)	n/a	~Sap Thickness (m)	80
				~ Sap IRA (°)	36
		~ Rock IRA (°)	n/a	~ Rock Thickness (m)	Minimal rock slope in reserve pit
				~ Rock IRA (°)	
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Unknown
				Drainholes	Unknown
	Open Pit Design Summary			~OSA -northeast	~25° to ~36°
				~OSA -southwest	~25° to ~36°
				~Maximum Elevation	358mRL
				~Minimum Elevation	270mRL
				~Max Depth (m)	100
Yabonsgo	No GT data collection, analysis or report available	~ Sap IRA (°)	n/a	~Sap Thickness (m)	64
				~ Sap IRA (°)	36
		~ Rock IRA (°)	n/a	~ Rock Thickness (m)	Minimal rock slope in reserve pit
				~ Rock IRA (°)	
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Unknown
				Drainholes	Unknown
	Open Pit Design Summary			~OSA -east	~30°
				~OSA -west	~32°
				~Maximum Elevation	370mRL
				~Minimum Elevation	305mRL
				~Max Depth (m)	65
GG1	Technical Report on Updated Feasibility Study (GG1, GG11, Kao, Rambo & Nami) and a PEA (North Kao) for the Karma Gold project, Burkina Faso. Various Contributors. December 2014.	~ Sap IRA (°)	41-52	~Sap Thickness (m)	50
				~ Sap IRA (°)	36
		~ Rock IRA (°)	47-63	~ Rock Thickness (m)	No rock slope in reserve pit
				~ Rock IRA (°)	0
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Yes (number unknown)
				Drainholes	Unknown
	Open Pit Design Summary			~OSA -northwest	~39°
				~OSA -southwest	~30°
				~OSA -east	~36°
				~Maximum Elevation	377mRL
				~Minimum Elevation	310mRL
				~Max Depth (m)	67
Nami	Technical Report on Updated Feasibility Study (GG1, GG11, Kao, Rambo & Nami) and a PEA (North Kao) for the Karma Gold project, Burkina Faso. Various Contributors. December 2014.	~ Sap IRA (°)	38-45	~Sap Thickness (m)	50
				~ Sap IRA (°)	36
		~ Rock IRA (°)	n/a	~ Rock Thickness (m)	No rock slope in reserve pit
				~ Rock IRA (°)	0
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Unknown
				Drainholes	Unknown
	Open Pit Design Summary			~OSA -northeast	~36°
				~OSA -southwest	~31°
				~Maximum Elevation	346mRL
				~Minimum Elevation	285mRL
				~Max Depth (m)	61

7.4.5 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Karma Gold Mine (Table 7-20) includes 5.5Mt grading 0.90g/tAu and containing 158kozAu and comprising:

- Proved Ore Reserves of 0.3Mt grading 0.40g/tAu and containing 4kozAu; and
- Probable Ore Reserves of 5.2Mt grading 0.93g/tAu and containing 154kozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 4.7Mt grading 0.88g/tAu and transitional material of 0.8Mt grading 1.02g/tAu. Ore Reserves reporting to stockpiles comprise a total of 0.3Mt grading 0.40g/tAu containing 4kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as 'open-pit' and reported within engineered designs as referenced herein.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 0.40g/tAu to 0.50g/tAu.

Table 7-21 presents a summary of the oxide/transitional Ore Reserves to gold price sensitivity which compares the current Ore Reserves with the results of raw pit optimisations (measured and indicated categories only) with increasing gold price. In summary it is clear that at higher gold prices, increased mining inventory potential is dependent on conversion/upgrading of material currently classified in the inferred category as reflected by the current Mineral Resource statement reported at a gold price of US$1,500/ozAu. In this instance analysis inclusive of Inferred Mineral Resources which are amenable to heap leaching indicate a total inventory of 10.4Mt grading 0.86g/tAu of which 3.0Mt grading 0.72g/tAu is classified as Inferred Mineral Resources. Any potential increases beyond this require consideration of a CIL Plant with sufficient capacity to process the harder fresh ores. At a long-term gold price of US1,500/oz the mining inventory would substantially increase and would also provide additional oxide feed thereby extending mine life beyond that presented by the limited Ore Reserves reported as at 31 December 2020.

Table 7-20: Karma Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Stockpile	320	0.40	4	320	0.40	4	-	-	-	-	-	-
Subtotal	**320**	**0.40**	**4**	**320**	**0.40**	**4**	**-**	**-**	**-**	**-**	**-**	**-**
Probable												
GG1 o/p	290	0.78	7	158	0.69	4	132	0.88	4	-	-	-
Kao North o/p	3,448	0.92	102	3,106	0.90	90	342	1.07	12	-	-	-
Nami o/p	896	0.75	22	721	0.75	17	174	0.72	4	-	-	-
Rambo West o/p	232	1.22	9	156	1.05	5	76	1.55	4	-	-	-
Yabonsgo o/p	297	1.50	14	255	1.53	13	42	1.34	2	-	-	-
Subtotal	**5,162**	**0.93**	**154**	**4,396**	**0.91**	**129**	**766**	**1.02**	**25**	**-**	**-**	**-**
Ore Reserves												
GG1 o/p	290	0.78	7	158	0.69	4	132	0.88	4	-	-	-
Kao North o/p	3,448	0.92	102	3,106	0.90	90	342	1.07	12	-	-	-
Nami o/p	896	0.75	22	721	0.75	17	174	0.72	4	-	-	-
Rambo West o/p	232	1.22	9	156	1.05	5	76	1.55	4	-	-	-
Yabonsgo o/p	297	1.50	14	255	1.53	13	42	1.34	2	-	-	-
Stockpile	320	0.40	4	320	0.40	4	-	-	-	-	-	-
Total	**5,482**	**0.90**	**158**	**4,716**	**0.88**	**133**	**766**	**1.02**	**25**	**-**	**-**	**-**

Table 7-21: Karma Gold Mine: mining Inventory gold price sensitivity analysis as at 31 December 2020[(1)]

Gold Price (US$/oz)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
1,300	5,482	0.90	158
1,400	6,467	0.91	189
1,500	7,452	0.92	221

(1) Note that the mining inventory reported at a gold price of US$1,300/oz reflects the current Ore Reserves as reported herein and that for the higher price assumptions these reflect the material reporting within raw optimisation shells which have not been subject to detailed engineering pit designs.

7.4.6 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements (prior to 2019) have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 7-22 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted are: an overall reduction of 135koz which compares with total mining depletion of 127kozAu. This is however net of a significant increase at Kao North (102kozAu) and a significant reduction (163kozAu) at Nami. Ore Reserves were reported within designed shells assuming a gold price of US$1,250/oz to US$1,300/oz for 2017, US$1,300/oz to US$1,350/oz for 2018, US$1,350/oz for 2019 and US$1,300/oz for 2020.

Table 7-23 presents a total Ore Reserve comparison between historical reporting periods for Karma Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated deductions of 10Mt over and above depletion of 19.0Mt grading 0.97g/tAu for a total of 590koz. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results generally indicate reductions which have exceeded depletion over the reporting period analysed.

Table 7-22: Karma Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
GG1 o/p	-	-	-	(1,837)	(0.76)	(45)	1,837	0.76	45
Nami o/p	-	-	-	(916)	(1.19)	(35)	916	1.19	35
Stockpile	320	0.40	4	8	0.03	0	312	0.38	4
Subtotal	**320**	**0.40**	**4**	**(2,745)**	**(0.45)**	**(80)**	**3,065**	**0.85**	**84**
Probable									
GG1 o/p	290	0.78	7	(372)	0.05	(8)	662	0.73	16
Kao North o/p	3,448	0.92	102	3,448	0.92	102	-	-	-
Rambo o/p	-	-	-	(896)	(0.75)	(22)	896	0.75	22
Nami o/p	896	0.75	22	(3,135)	(0.40)	(127)	4,030	1.15	149
Rambo West o/p	232	1.22	9	-	-	-	232	1.22	9
Yabonsgo o/p	297	1.50	14	-	-	-	297	1.50	14
Subtotal	**5,162**	**0.93**	**154**	**(955)**	**(0.14)**	**(56)**	**6,116**	**1.06**	**209**
Ore Reserves									
GG1 o/p	290	0.78	7	(2,209)	0.03	(53)	2,499	0.75	60
Kao North o/p	3,448	0.92	102	3,448	0.92	102	-	-	-
Rambo o/p	-	-	-	(896)	(0.75)	(22)	896	0.75	22
Nami o/p	896	0.75	22	(4,050)	(0.41)	(163)	4,946	1.16	184
Rambo West o/p	232	1.22	9	-	-	-	232	1.22	9
Yabonsgo o/p	297	1.50	14	-	-	-	297	1.50	14
Stockpile	320	0.40	4	8	0.03	0	312	0.38	4
Total	**5,482**	**0.90**	**158**	**(3,699)**	**(0.10)**	**(135)**	**9,181**	**0.99**	**293**

Table 7-23: Karma Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined (In situ equivalent)		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	34,596	0.89	986	1,879	1.24	75
2017	34,596	0.89	986	3,862	1.04	129
2018	27,527	0.86	764	4,715	0.92	139
2019	9,181	0.99	293	3,745	0.99	119
2020	5,482	0.90	158	4,781	0.83	127
Period	**2016 - Less depletion**			**2016 Depleted Variance**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	32,717	0.87	911	1,879	0.02	75
2017	28,855	0.84	782	5,741	0.04	204
2018	24,140	0.83	642	3,387	0.04	122
2019	20,395	0.80	523	(11,213)	0.20	(230)
2020	15,614	0.79	396	(10,132)	0.11	(238)

7.4.7 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2022 with total material mined of 34.4Mt and comprising open pit ore of 5.2Mt grading 0.93g/tAu at an average stripping ratio of 5.7t_{waste}:t_{ore} (Table 7-24; Table 7-25). Oxide material contributes some 94.6% of total material mined with transitional and fresh material contributing 4.8% and 0.6% respectively. Mining production in 2021 is projected from four open pits (Figure 7-9) reducing to three pits in 2022 prior to planned closure in 2023.

Total mined material is planned to remain range bound in the 19Mt to 21Mt range. Ore tonnage is substantially reduced when compared with historical attainment and is forecast at 2.8Mt and 2.4Mt mined for 2021 and 2022 respectively. RoM grades remain generally range bound between 0.8g/tAu and 1.0g/tAu.

Individual weathering ore types within each deposit are ascribed different cut off grades, however the mining schedule is largely driven by grade categories: high grade ("**HG**") for all ore greater than 1.00g/tAu; medium grade ("**MG**") for all ore greater than 0.50g/t; low grade ("**LG**") for all ore greater than 0.44g/t; and marginal ores ("**MO**") for all ore greater than 0.34g/t to 0.541g/tAu depending on deposit location.

Accordingly, the stockpiling strategy assumes the development of four grade categories which are managed at both satellite RoM and HLF RoM pads. Table 7-27 presents a summary by deposit of the ore grade categories which indicate that HG and MG together contribute 72% of the tonnage and 81% of the contained gold mined with, LG contributing 11% of the tonnage and 5% of the contained gold mined and the marginal grade ore representing 17% of the tonnage and 14% of the contained gold mined.

Mining operating expenditures per deposit are reported in Table 7-28 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$1.41/$t_{mined}$ (excluding surface haulage). It is worth noting given the short mine life that ongoing Advanced Grade Control drilling is being performed around the Kao North and GG1 pits as part of the 2021 operations plan with the view to convert Inferred to Indicated and confirm along strike extensions to the orebodies.

Table 7-24: Karma Gold Mine: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
GG1	683	290	393	1.4	80.7	19.3	-
Kao North	22,148	3,448	18,701	5.4	95.4	3.7	0.9
Nami	4,737	896	3,842	4.3	93.0	7.0	-
Rambo West	2,572	232	2,340	10.1	89.0	11.0	-
Yabonsgo	4,302	297	4,005	13.5	97.8	1.8	0.4
Total	**34,443**	**5,162**	**29,281**	**5.7**	**94.6**	**4.8**	**0.6**

Table 7-25: Karma Gold Mine: open pit deposits ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
GG1	290	0.78	7
Kao North	3,448	0.92	102
Nami	896	0.75	22
Rambo West	232	1.22	9
Yabonsgo	297	1.50	14
Total	**5,162**	**0.93**	**154**

Table 7-26: Karma Gold Mine: open pit mining start and depletion periods

Deposit	Start	End
GG1	2021	2021
Kao North	2021	2022
Nami	2021	2022
Rambo West	2021	2021
Yabonsgo	2022	2022
Total	**2021**	**2022**

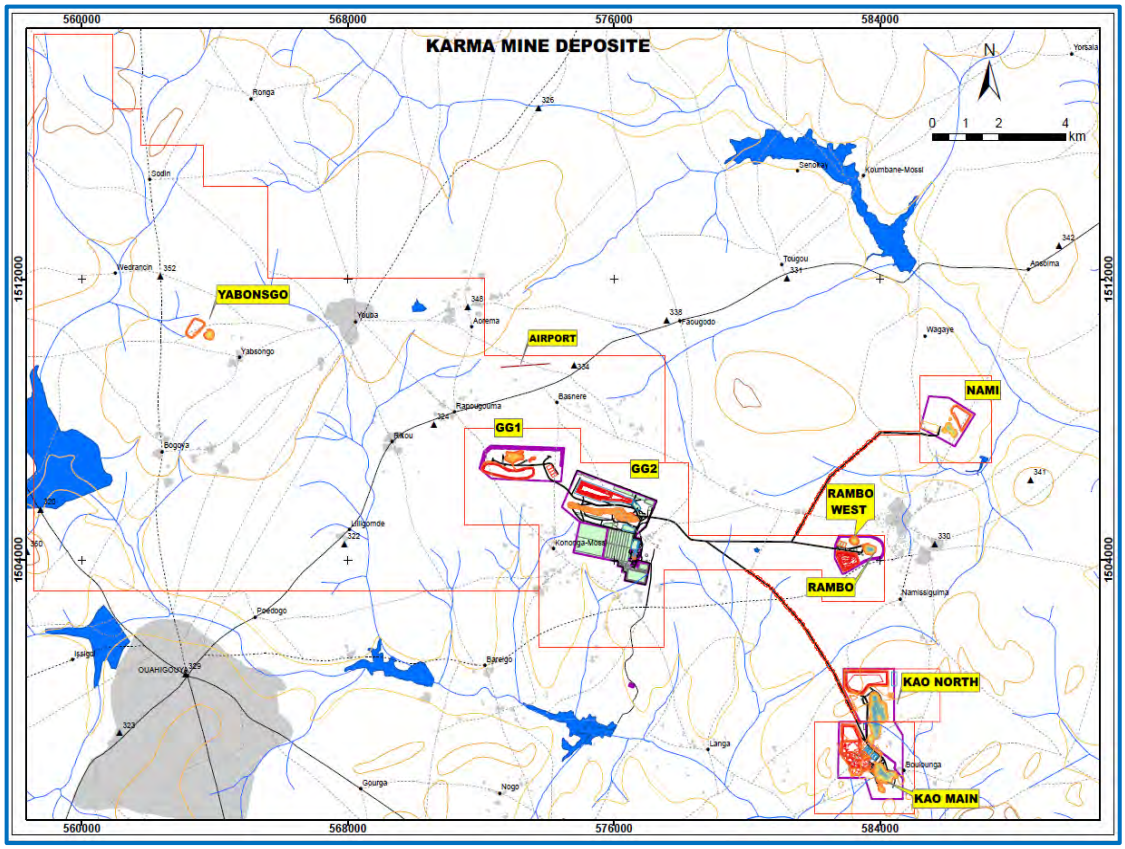
Table 7-27: Karma Gold Mine: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
GG1	57	1.32	2	177	0.72	4	31	0.46	0	24	0.39	0
Kao North	978	1.54	48	1,724	0.78	43	429	0.46	6	317	0.35	4
Nami	169	1.48	8	426	0.70	10	93	0.47	1	208	0.37	2
Rambo West	113	1.87	7	72	0.71	2	13	0.46	0	34	0.36	0
Total	**1,318**	**1.55**	**66**	**2,399**	**0.76**	**59**	**566**	**0.46**	**8**	**880**	**0.75**	**21**

Table 7-28: Karma Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
GG1	683	1.17	0.8
Kao North	22,148	1.13	25.0
Nami	4,737	1.09	5.2
Rambo West	2,572	1.21	3.1
Yabonsgo	4,302	0.88	3.8
Total	**34,443**	**1.10**	**37.8**

Figure 7-9: Karma Gold Mine site layout



7.5 Mineral Processing

The Karma HLF was commissioned in 2016 with an ore stacking rate of 2.1Mtpa which has increased to a maximum of 4.8Mtpa achieved in 2020 and has a nominal stacking capacity of 5.0Mtpa. Gold recovery is facilitated through stacking of crushed oxide ore which is placed on the heap leach pad operating with a traditional radial stacker. Gold extraction occurs through irrigation of the stacked ore with a cyanide solution which permeates through the stacked ore generating a pregnant leach solution which is then collected and processed in an adsorption-desorption-regeneration ("**ADR**") circuit prior to elution and electrowinning to produce doré.

The current LoMp assumes continued processing of the remaining Ore Reserves albeit at a reduced stacking rate of 2.7Mt in 2021 and 2.4Mt in 2022. Given the short mine life, Advanced Grade Control programmes will play an important role in delineating additional ore to enable total tonnes stacked to exceed the amount indicated in the LoMp.

7.5.1 Process Plant Feed

The initial metallurgical test work was conducted by Kappes, Cassiday and Associates between 2010 and 2012 to assess the gold processing method to be used at Karma Gold Mine. The tests concluded that heap leaching was the preferred processing option and further test work was conducted by McClelland Laboratories in 2012 and 2013, which focused on developing recoveries and reagent consumptions for each ore type.

Subsequent to the start-up of operations, day to day leach tests and, metallurgical accounting balance calculations are conducted to determine gold recovery. Ongoing test work of the ore recovered from the current Kao North and GGI pits (as well as for future resources) is conducted to determine the recovery characteristics of the planned ore feed. Graphitic and sulphide material that is deemed not economically recoverable by the heap leach process is separated and stored on identified stockpiles for possible treatment with more involved processes at a later date.

7.5.2 Flowsheet

The HLF (Figure 7-10; Figure 7-11) and associated process circuits was designed by SENET based on gold heap leach technology and consisted of two crushing circuits (for soft and hard ore respectively), agglomeration and stacking, heap leaching with cyanide solution followed by adsorption of the pregnant solution, elution and gold smelting. Services to the process plant include cement addition, reagent make-up, storage and distribution, water and air supply.

Recovery of gold is accomplished via heap leaching whereby the heap is fed with a mixture of crushed and sized ore that has cement and water added to form agglomerates that are transported from the process facility by a combination of fixed and portable conveyors to a radial stacker. The radial stacker builds the heaps and removable conveyors allow for the development of the heaps in a retreating direction back towards the main conveyor system beside the Heap Leach pads. The gold in the ore is extracted by an irrigation system which involves the spraying of a cyanide solution over the stacked heaps, which soaks the ore in the heap and allows gold bearing material to percolate downward to a HDPE (high density polyethylene) plastic liner where it is then collected via under-drain piping in a direct solution to the catchment ponds. This pregnant solution is then pumped to a cascade ADR circuit where it is cascaded through a carbon adsorption circuit. Once enough gold has been adsorbed on to the carbon, the loaded carbon is acid washed prior to elution, followed by reactivation of the eluted carbon. The pregnant solution from the elution circuit is stripped from the carbon and the gold electrowon onto cathodes as sludge. Periodically the sludge is washed off the cathodes and dried. The dried gold sludge is smelted, and dried fluxes are added, to produce gold doré, which is shipped to refineries.

The HLF can stack up to 5.0Mtpa of oxide and transition ore. The current LoMp indicates that only a minimal amount of sulphides extracted from Rambo and Nami pits will be processed through the HLF. Gold cannot be recovered by heap leaching sulphidic material from GGI, GG2 and Kao Main due to its refractory nature and further metallurgical tests have been conducted to determine the recovery characteristics of the refractory nature of the sulphide portion of the Kao North ore.

An optimisation program was completed in 2017 to replace the front-end crushing circuit and the ADR plant, as well as several other plant component modules. The new crushing plant features apron feeders, MMD mineral sizers and surge bins and has improved the throughput and reliability of the original design of the operation inherited by the Group. A new 8-tonne cascade tank ADR plant has replaced the 5-tonne column ADR plant.

A new extended stacking conveyor system and pump system upgrade was commissioned in

February 2020 to accommodate longer and higher cell placement and improve stacking throughput. Upgrades to the pumping and electrical system were completed in early Q1 2020. A total of five 10m lifts are planned on the existing heap leach pads and the 4th lift commenced in Q4 2020. An extension to the HLF is currently underway with 4 cells (2 by 2 configuration) currently under construction immediately to the west of the existing facility.

With respect to processing of GG1 ores, higher copper concentrations require higher concentration of cyanide addition in the agglomeration circuit to facilitate maximum gold recovery when stacked on the HLF. A further study is underway to assess the impact of introducing high pressure leaching at the end of the mine life once stacking has been completed, with the aim of recovering some of the residual gold locked up in the heap leach pads.

Figure 7-10: Karma Heap Leach Facility: simplified flowsheet

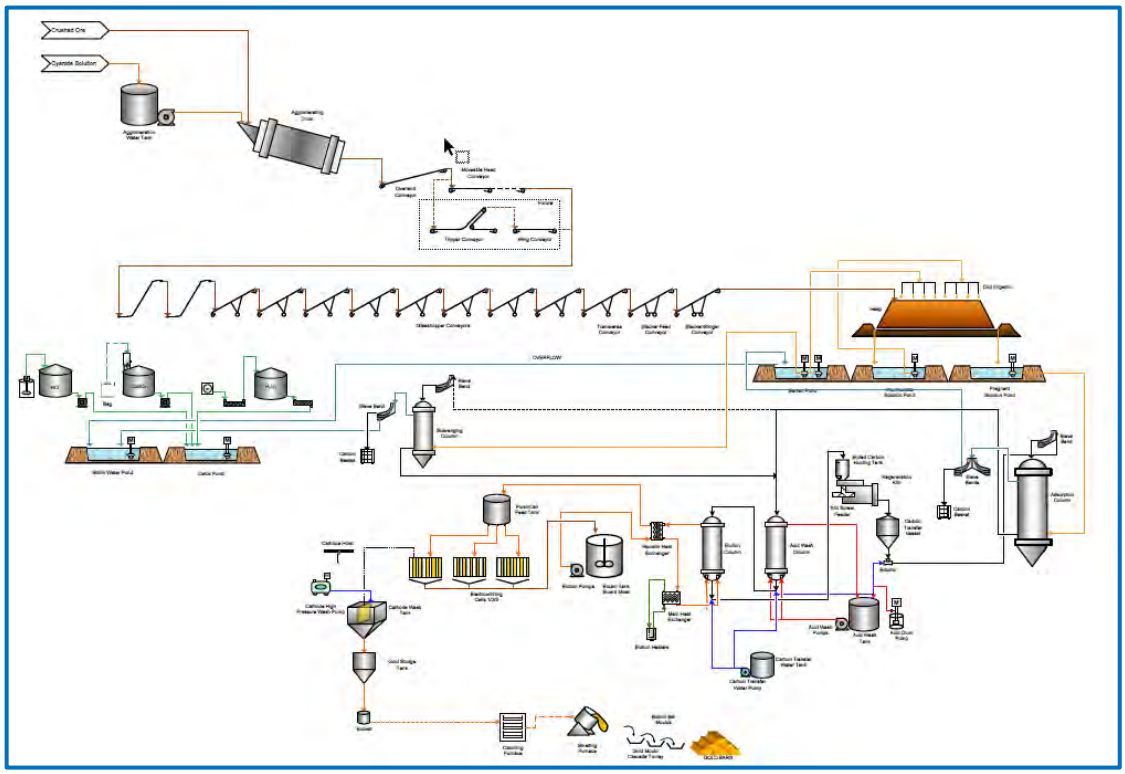


Figure 7-11: Karma Heap Leach Facility stacking activities



7.5.3 Historical Performance

Analysis of historical performance to date indicates that stacked ore has increased significantly since commissioning in 2016 and for 2020 is reported at 4.9Mt. Gold production however has generally remained range bound between 100kozpa to 110kozpa with reported recoveries

generally declining from 2018 onwards and for 2020 reported at 75.0% due to the influence of the lower recovery of GG1 ore. Cumulative recovery of all ore stacked to 31 December 2020 is reported at 80.0%.

Process facility availability is reported at 87.7% for 2020 and utilisation has generally increased over the past three years from 78.0% to 91.3% with current hourly throughput reporting approximately 690t. Operating expenditures have generally reduced in response to increased stacked ore generally reduced with 2020 reporting a total of US$6.75/t stacked.

Table 7-29: Karma CIL Plant: historical operating statistics

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Ore	(kt)	18,805	-	2,089	3,552	4,097	4,196	4,871
	(g/tAu)	0.96	-	1.16	1.07	0.95	0.91	0.84
	(kozAu)	579	-	78	123	125	123	131
Recovery	(%)	80.0	-	79.2	80.0	87.2	78.5	75.0
Recovered	(kozAu)	475	-	71	102	102	100	100
Produced	(kozAu)	463	-	62	98	109	97	98
Sold	(kozAu)	463	-	63	97	108	97	98
Gold in Circuit	(kozAu)	50				13	17	20
Finished Goods	(kozAu)	2						2
Efficiency								
Availability	(%)					84.0	88.0	87.7
Utilisation	(%)					78.0	85.0	91.3
Throughput	(%)					711	641	693
Opex								
Processing	(US$m)	120.7	-	14.31	25.35	30.32	23.64	27.05
Maintenance	(US$m)	21.7		-	5.82	4.18	5.92	5.81
Total	**(US$m)**	**142.4**	**-**	**14.31**	**31.16**	**34.50**	**29.56**	**32.86**
Processing	(US$/t)	6.42	-	6.85	7.14	7.40	5.63	5.55
Maintenance	(US$/t)	1.15	-	-	1.64	1.02	1.41	1.19
Total	**(US$/t)**	**7.57**	**-**	**6.85**	**8.77**	**8.42**	**7.04**	**6.75**

7.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a stacking rate which is substantially lower than that noted historically and is projected at 2.7Mt in 2021 and 2.4Mt in 2022. On depletion of mined Ore Reserves it is therefore assumed Karma Gold Mine will enter a mine closure and rehabilitation phase, however there remains an opportunity to continue operations for a further three years at this rate albeit at a lower stacked head grade of 0.78g/tAu (8.0Mt grading 0.78g/tAu of which 3.0Mt grading 0.72g/tAu is classified as Inferred Mineral Resources).

Total ore processed (Table 7-30; Table 7-31) is reported at 5.2Mt grading 0.93g/tAu, the majority of which is classified as oxide ore (86%:Table 7-32). The weighted average metallurgical recovery projected over the LoMp is estimated at 81.7% which reflects oxide material at 83.1% and transitional material at 74.9% (Table 7-33). Stockpiled material contributes 0.3Mt grading 0.40g/tAu.

Furthermore, it is noted that due to the short mine life, the operation is conducting Advanced GC drilling around the Kao North East deposit and along strike of the GG1 pits which will extend mine life and enable consistent stacking at the nameplate capacity for longer that is shown in the Reserves only LoMp.

Operating expenditures are derived based on deposit specific assumptions as reported in Table 7-34. The weighted average LoMp processing costs is forecasted at US$7.70/$t_{milled}$ which is assumes as constant over the LoMp period.

Table 7-30: Karma HLF: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
GG1	290	0.78	7	123	0.45	2	413	0.68	9
Kao North	3,448	0.92	102	23	0.62	0	3,471	0.91	102
Nami	896	0.75	22	-	-	-	896	0.75	22
Rambo West	232	1.22	9	0	-	-	232	1.22	9
Yabonsgo	297	1.50	14	-	-	-	297	1.50	14
Kao Main	-	-	-	84	0.33	1	84	0.33	1
GG2OS	-	-	-	90	0.36	1	90	0.36	1
SP	-	-	-	-	-	-	-	-	-
Total	**5,162**	**0.93**	**154**	**320**	**0.40**	**4**	**5,482**	**0.90**	**158**

Table 7-31: Karma HLF: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
GG1	413	0.68	9	270	0.59	5	143	0.85	4	-	-	-
Kao North	3,471	0.91	102	3,129	0.90	90	342	1.07	12	-	-	-
Nami	896	0.75	22	721	0.75	17	174	0.72	4	-	-	-
Rambo West	232	1.22	9	156	1.05	5	76	1.55	4	-	-	-
Yabonsgo	297	1.50	14	255	1.53	13	42	1.34	2	-	-	-
Kao Main	84	0.33	1	84	0.33	1	-	-	-	-	-	-
GG2OS	90	0.36	1	90	0.36	1	-	-	-	-	-	-
Total	**5,482**	**0.90**	**158**	**4,705**	**0.88**	**133**	**777**	**1.01**	**25**	**-**	**-**	**-**

Table 7-32: Karma HLF: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
GG1	270	143	-	413	65.4	34.6	-
Kao North	3,129	342	-	3,471	90.1	9.9	-
Nami	721	174	-	896	80.5	19.5	-
Rambo West	156	76	-	232	67.2	32.8	-
Yabonsgo	255	42	-	297	85.9	14.1	-
Kao Main	84	-	-	84	100.0	-	-
GG2OS	90	-	-	90	100.0	-	-
Total	**4,705**	**777**	**-**	**5,482**	**85.8**	**14.2**	**-**

Table 7-33: Karma HLF: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
GG1	4	3	-	6	74.0	66.6	-	70.8
Kao North	75	9	-	84	83.4	75.4	-	82.5
Nami	15	3	-	18	83.4	75.4	-	81.9
Rambo West	4	3	-	7	83.4	81.1	-	82.5
Yabonsgo	10	1	-	12	83.4	75.4	-	82.4
Kao Main	1	-	-	1	80.4	-	-	80.4
GG2OS	1	-	-	1	83.4	-	-	83.4
Total	**110**	**19**	**-**	**129**	**83.1**	**74.9**	**-**	**81.7**

Table 7-34: Karma HLF: operating expenditures

Deposit	Processed (kt)	Opex (US$/t)	(US$m)
GG1	413	7.70	3.2
Kao North	3,471	7.70	26.7
Nami	896	7.70	6.9
Rambo West	232	7.70	1.8
Yabonsgo	297	7.70	2.3
Kao Main	84	7.70	0.6
GG2OS	90	7.70	0.7
Total	**5,482**	**7.70**	**42.2**

7.6 Waste Management

Waste management facilities at Karma Gold Mine are predominantly focused on the management of waste rock dumps and on cessation of mining and processing operations the HLF used for processing ores. In respect of the latter the total material placed to date amounts to 18.8Mt (Table 7-35) and on depletion of the Ore Reserves will have a total of 24.3Mt placed on the facility.

Table 7-35: Karma HLF historical ore stacking

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Arisings	(kt)	18,805	-	2,089	3,552	4,097	4,196	4,871
	(g/tAu)	0.17	-	0.11	0.18	0.17	0.17	0.19
	(kozAu)	104	-	7	21	23	23	30
HLP Placed	(kt)	18,805	-	2,089	5,641	9,738	13,934	18,805
	(g/tAu)	0.17	-	0.11	0.16	0.16	0.16	0.17
	(kozAu)	104	-	7	28	51	74	104

In respect of the waste rock dumps, Karma Gold Mine operates a total of six WRDs which are estimated to have a remaining capacity balance as at 31 December 2020 of 58.1Mm^3. The current LoMp requires storage of a further 19.8Mm^3 (Table 7-36) for which there is adequate remaining space for storage of this material. The total waste mined through to 31 December 2020 is reported at 60.6Mt which in combination with the forecast LoMp arisings of 29.3Mt results in a total material placed of 89.9Mt.

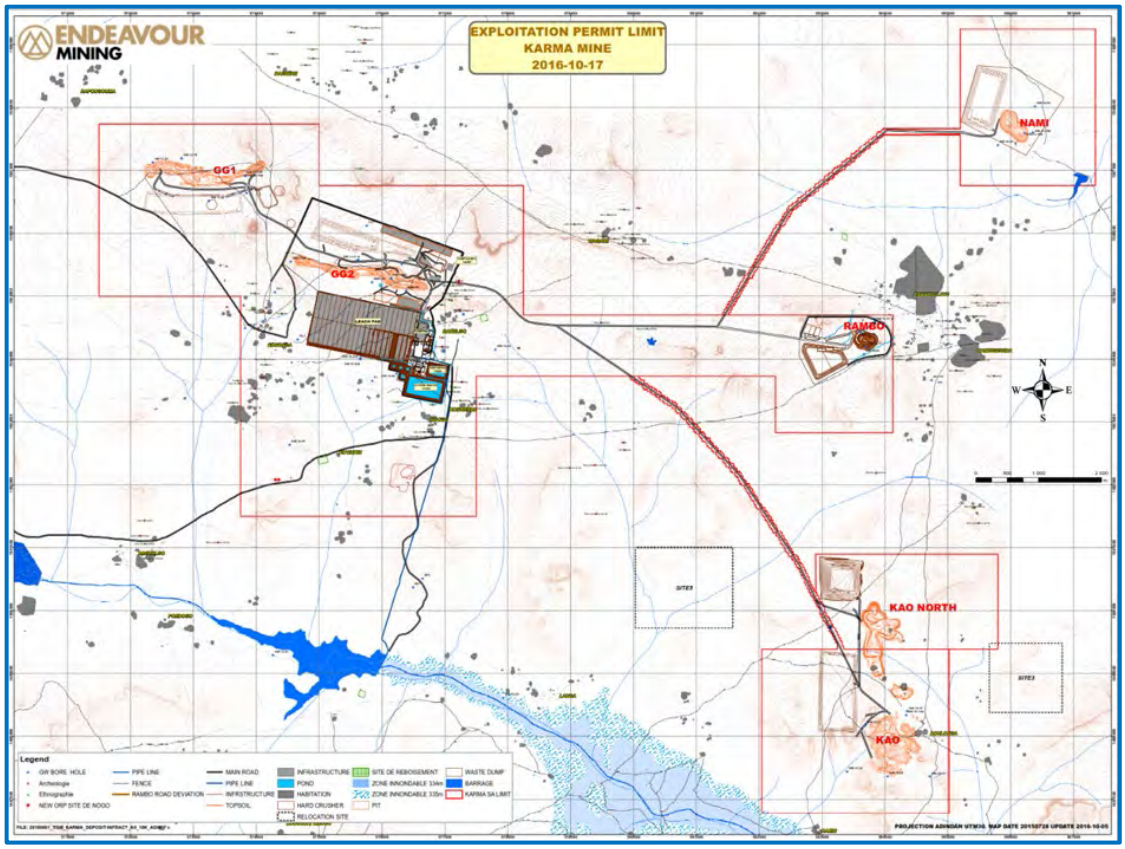
Table 7-36: Karma Gold Mine: LoMp Waste Rock Dump deposition

WRD	Remaining Capacity: Opening Balance (Mm^3)	LoMp (Mm^3)	Residual Capacity: Closing Balance (Mm^3)
GG1	8.37	0.27	8.10
Kao North	28.89	9.23	19.66
Kao M3	3.84	3.33	0.51
Rambo West	6.27	1.65	4.62
Nami	6.27	2.74	3.53
Yabonsgo	4.49	2.53	1.96
Total	**58.13**	**19.75**	**38.37**

7.7 Infrastructure

The Karma Gold mine has been in production since 2015 and has in place all the infrastructure required to support the open pit mining operation and 5.0Mtpa HLF. This includes, but is not limited to, a secure water harvesting and storage facility, a diesel power station, accommodation and recreation facilities for non-local staff, open pit mining facilities, processing facilities, heap leach facility and all the necessary offices, warehouses and workshops to sustain the operation.

Figure 7-12: Karma Gold Mine: general overall site layout



7.7.1 Access and Transportation

Karma Gold Mine lies 23km east of Ouahigouya on a series of unpaved roads. Within the mine area, access is via local tracks and paths which are suitable for two-wheel drive vehicles in the dry season and four-wheel drive vehicles in the wet season. The main access road to the Karma site passes approximately five small villages. Access roads can be affected by rain and water runoff in the wet season with three (03) water crossing areas.

Ouahigouya, with a population of 125,000, is the third largest city in Burkina Faso and the nearest major centre to the project site. National Route 2 (N2) is a paved highway connecting Ouahigouya to the capital Ouagadougou which is 185km away and serviced by international air flights. Burkina Faso is landlocked and relies on ports of Tema in Ghana, Abidjan in Ivory Coast and Lomé in Togo for access to shipping.

Ouagadougou, the capital city of Burkina Faso, is connected to Europe with daily flights by Air France and twice weekly by Air Burkina to Paris, three times per week to Brussels by Brussels Airlines. There are also frequent flights within the West African region to Mali, Ghana, Côte d'Ivoire, Senegal and Niger.

The Group owns and operates an air service through a fully owned subsidiary, Endeavour Aviation ("**EDVA**") which has a total of four aircraft – 2 x Pilatus PC12 and 2 x Pilatus PC6 – of which, one each of the PC12 and PC6 are housed at Houndé Gold Mine in Burkina Faso and at Ity Gold Mine in Côte d'Ivoire. These aircraft fly 5 days per week between Ouagadougou, Houndé Gold Mine and Karma Gold Mine, and also link up with the PC12 from Côte d'Ivoire which is registered to transfer people to and from Abidjan to Burkina Faso, predominantly to Bobo-Dioulasso due to proximity to Karma Gold Mine.

7.7.2 Power Supply and Distribution

The electrical power is supplied by generators supplied by the fuel farm as there is no available grid network. The power station currently consists of six Caterpillar C32 generators with a recommended continuous rating for each generator of 600kW for optimum fuel efficiency at the recommended 75% of the prime rating and the total installed capacity is six x 600kW (3.6GW). At current plant loads four generators are generally required resulting in N+2 redundancy.

7.7.3 Water Supply

Water for use in mining and processing is abstracted from a barrage located to the south of the mine and constructed in 2015. Water pumped from the barrage is contained in storage ponds constructed adjacent to the processing facility, comprising a raw water storage pond of 0.34Mm^3 and a storm water pond with a capacity of 1.25Mm^3. The storm water pond provides capacity for rainfall events during the rainy season and water storage during the dry season.

Potable water is produced at the plant by passing raw water through a filtering and sterilization system to clarify and kill off biological organisms before it is stored for distribution to the plant and other facilities.

7.7.4 Hydrocarbon Storage

Fuel is supplied under contract by TOTAL, and include ten tanks (67m^3 each), fuel service area for both light and heavy vehicles (including high capacity filling pumps) a covered area for storage of lubricant and offices for the contractor staff. This provides sufficient fuel for the needs of the mining fleet and emergency power for two weeks.

7.8 Human Resources

Karma Gold Mine presently reports 1,544 TEC comprising 446 employees of which 8 are classified as expatriates and the remainder as nationals (Table 7-37). Table 7-38 presents the historical productivity metrics reported from 2018 through 2020 inclusive. This indicates that total material processed per TEC per month has increased to 263t/TEC/m whilst gold production has reduced marginally to 165g/TEC/m.

Table 7-37: Karma Gold Mine: historical human resources

Statistic	Units	2018	2019	2020
Expatriates	(No)	34	27	8
Nationals	(No)	731	722	438
Subtotal	**(No)**	**765**	**749**	**446**
Contractors	(No)	901	791	1086
Daily Workers	(No)	9	28	12
Total	**(No)**	**1,675**	**1,568**	**1,544**
Management Localisation	**(%)**	**5.0**	**36.0**	**63.0**
Labour operating expenditure	(US$k)	21,156	17,119	14,549
	(US$/TEC/m)	2,305	1,905	2,718

Table 7-38: Karma Gold Mine: historical productivity metrics

Statistic	Units	2017	2018	2019	2020
Physicals					
Processed	(kt)	3,552	4,097	4,196	4,871
Produced	(kozAu)	98	109	97	98
Productivity					
TEC	(No)	1,788	1,675	1,568	1,544
	(t/TEC/m)	166	204	223	263
	(g/TEC/m)	142	168	160	165

7.9 Occupational Health and Safety

Occupational health and safety at Karma Gold Mine is managed in accordance with an ISO 45001:2018 management system framework. Since 2017 Karma Gold Mine have recorded 1 lost time incident in 2017 corresponding to a LTIFR reported per million man-hours worked of 0.32. A fatality was recorded on 28 February 2020 when a grader rolled backwards down the Kao North pit ramp following an engine failure. The operator jumped out of the grader and was tragically run over by the front wheel of the grader. The AIFR reported per million man-hours worked reported 3.05 for 2020 which can be compared with 4.65 for 2019.

Reducing malaria in neighbouring communities is one of the Group's key health goals, with a target of 10% reduction in malarial incidence rates across the group year-on-year. In 2020 a total of 270 malaria cases were reported which is not dissimilar to that reported in 2019 and lower than that reported in 2017.

All employees have medical insurance that consider the medical services available in workers residence areas. Site clinic also provides non-occupational medical health care. Health promotion services and programs are offered to workers to address major non-work-related health risks medical visit; Malaria campaign; HIV Campaign, and awareness with relevant NGOs in the area and also other disease (hepatitis) screening in the annual medical check-ups.

Table 7-39: Karma Gold Mine: Historical occupational health and safety statistics

Statistic	Units	2015	2016	2017	2018	2019	2020
Safety							
Fatality	(No)	-	-	-	-	-	-
Lost Time Injury	(No)	-	-	1	-	-	-
Total Time	(mmh)	-	-	3.12	3.18	2.80	3.28
LTIFR	(No/mmh)	-	-	0.32	-	-	-
AIFR		-	-	12.50	5.35	4.65	3.05
Occupational Health							
Malaria Cases	(No)	n/a	n/a	447	214	270	269

7.10 Environmental and Social Management

7.10.1 Environmental Authorisations

Environmental approvals for Karma Gold Mine are listed in Table 7-40. Each approval was based on an ESIA, except for the approvals for the barrage and a landfill which were based on Notices of Environmental Impact (high-level impact assessments).

Table 7-40: Karma Gold Mine: primary environmental authorisations

Mine components	Environmental approval decision notice (Arrete)
GG1, GG2 and Rambo pits and heap-leach processing facilities	2013-163/MEDD/CAB, 20 September 2013
Kao pit	2014-001/MEDD/CAB, 2 January 2014
Nami pit	2014-115/MEDD/CAB, 28 May 2014
Kao North pit	2016-520/MEEVCC/CAB, 29 December 2016
Lougouri-Weogo barrage	2013-037/MEDD/CAB, 20 March 2013
Landfill	2015-059/MERH/CAB, 3 April 2015

The environmental approval for the Kao North pit, which was granted in December 2016, has the most comprehensive conditions of approval. These include:

- compliance commitments made in the approval process and monitoring of impacts;
- ongoing stakeholder engagement and establishment of a grievance mechanism;
- compensation of affected people;
- compensatory reforestation for tree felling;

- establishment of a chance finds procedure for archaeological finds;
- equipping of workers with adequate personal protection equipment and training;
- obtaining approval for a closure plan;
- submission of studies of ARDML potential to government;
- preferential use of local labour and support of local community development, including drilling of wells, development of infrastructure and improving agricultural productivity; and
- submission of annual compliance reports and triennial audit reports to the environmental authority.

7.10.2 Environmental and Social Matters

Environmental and Social Setting

The mine infrastructure is in the municipality of Namissiguima in the Yatenga Province of the Nord Region, except for the barrage, which is on the watercourse that forms the boundary between the Namissiguima and Oula municipalities. Livelihoods of most people in the region are largely based on subsistence agriculture and mining, including artisanal mining. The region is affected by droughts and floods that affect food security.

The Karma operation is in the upper reaches of the Nakambé River (White Volta River), about 30km from the Guitti Barrage. The terrain is gently undulating, with an elevation of 300m to 350m above sea level. The Karma deposits are in a ridge that forms a divide between two broad valleys. Most mine infrastructure is on the south side of the ridge, but the Nami deposit is on the north side of the ridge. Streams draining the mine site are ephemeral.

The barrage that supplies water to the mine is in a non-perennial river about 4km south of the heap-leach site. About 4km upstream of this barrage, there is another small barrage called the Bagyalgo Barrage, which is a community water resource. Generally, the river flow stops by the end of December, but pools or reservoirs generally persist in the watercourse until March. The river flow is shallow, typically no more than 1m to 2m in depth, but may reach a width of 200m to 300m during peak flows.

The pre-mining water quality in streams, wells and boreholes was contaminated by artisanal mining and agricultural activity. Arsenic and mercury levels were found to exceed drinking water limits in some boreholes near the mine site. Such exceedances are not uncommon in many parts of the province.

Vegetation zones around the mine site correspond with water availability; these include wooded and shrub savannah, grassland, forest and riparian zones. True grasslands exist for only a short time each year after the rains. The natural vegetation has been disturbed by human activities in the form of agriculture, artisanal mining and firewood collection. Mammalian animals are not abundant due to habitat disturbance and poaching, but birds, reptiles and insects are abundant. The Bagyalgo barrage supports subsistence fishing and is inhabited by a few crocodiles.

Crops commonly grown are sorghum, millet, and maize. Where sufficient water is available rice and vegetables are also grown. Cattle, goats, sheep, pigs, and chickens are the most common domestic animals raised in the area. Overgrazing is a common occurrence.

Both residents and migrants are engaged in artisanal mining. Residents are local people, mostly women and children, who work local deposits by hand during the dry season when agriculture is limited or not possible. Residents live in traditional settlements and migrants drift through the area, often organized, equipped and financed by gold buyers.

There are several settlements near to the mine infrastructure. The largest are the towns of

Namissiguima and Ramatoulaye, located to the east on the Rambo pit. Several thousand people reside in these two towns. The Mosque at Ramatoulaye is an important sacred site and is a destination for pilgrims in West Africa who do not have the resources to go to Mecca. The Sheik who presides over the mosque has a large following (over four million in Burkina Faso).

Malaria is prevalent in the area. Other common illnesses are respiratory illnesses and forms of dysentery including typhoid and cholera, especially during the rainy season.

Services and infrastructure are not well developed in the region. Several primary health facilities, called *"Centre de Santé et de Promotion Social ("**CSPS**")"*, provide basic preventive and curative care.

A large portion of the population in the project area is functionally illiterate. The biggest issues facing education are lack of teachers and school infrastructure and poverty among the population at large which makes it difficult for people to recognize the value of education.

A parallel tribal system exists which organizes and manages affairs in the province in a traditional manner. The king of Yatenga Province, the Naba Kiba, rules over all the village chiefs in the province. The chiefs administer affairs in their own villages with the assistance of their advisors.

Three types of housing exist in the project area. In rural villages, construction is dominated by traditional mud huts with straw roofs. More affluent residents may have metal-roofed mud homes. In the towns building are more frequently constructed of concrete but mud-built structures are still common.

Approach to Environmental and Social Matters

The decision to grant the Karma Licence in 2013 was informed by an ESIA completed in 2012 and amended in 2013. The amendment concerned a change in the processing facilities from CIL facilities to heap leach facilities. The decisions on the extensions to the Karma Licence area granted in 2014 and 2018 were informed by ESIAs for the Nami pit (2013), the Kao pit (2013) and the Kao North pit (2016). The various ESIAs have been undertaken by local consultants. The first two ESIAs were undertaken by BEGE Consulting and Roche Consulting, respectively and the remainder were undertaken by Socrege. The ESIA reports are informative but do not include detailed studies of potential water impacts and the management plans are framework plans.

Karma Gold Mine has an environmental management system that is being aligned with the ISO 14001:2015. Improvements underway include better tracking of compliance with obligations, improvements to water management and performance auditing.

Monitoring of water dust, noise and waste management are undertaken routinely. The focus on this monitoring is on the mine site rather than receptors in the surrounding environment.

Compliance with the ICMC was audited by Afritech in 2019. The audit found that the design considered most of the ICMC technical requirements, but several improvements were needed. The most significant issue was the lack of measures to prevent birds specifically from contact with the ponds with cyanide levels exceeding the limit of 50mg/l WAD cyanide. In addition, systems, document control and procedures were not yet up to standard. The emergency response plan also needed refinement. This year, there will be a remote review of corrective actions by an auditor and there will be an on-site audit post COVID-19.

Although there was formal engagement with communities as far back as 2011, conflict in the construction stage motivated stronger engagement with local communities from 2015 onwards. In January 2015, there was a violent protest on the construction site resulting in damage to equipment and materials amounting to US$6m. A subsequent strike by local employees

delayed construction by five months and the opposition was backed by Sheik Ramatoulaye.

Since 2015, the mine's relationships with local communities has been constructive and there is a functioning grievance mechanism in place. The Rambo open pit is close to local communities and complaints about dust and noise resulted in increased dust suppression and construction of a noise berm.

Community consultation committees have been in place at the mine for several years. These are information-sharing forums focussed on constructive relationships, community development initiatives and grievances. Engagement records are stored in a database and date back to 2013/2014.

Of the Karma Gold Mine workforce, 94% are nationals and more than 5% of the workforce is female. Karma Gold Mine contributes to community development through both mandatory and voluntary initiatives. The recent Burkina Faso EITI report, dated February 2021 and for the Year 2019, records that the mine contributed US$1m to community development comprising both mandatory and voluntary components.

The mandatory contributions are made to a mining local development fund. The fund is financed by both the state (20% of the collected proportional royalties) and exploitation permit holders (1% of turnover before tax) and is administered jointly by the Ministry of Mining and the Ministry of Finance. The funds are allocated to local community development by a steering committee comprising municipal and regional representatives and representatives of youth and women's associations. Voluntary payments to community development included payments for cultural and sporting events, relocation of tombs and graves, and agricultural projects.

Resettlement

Physical resettlement has occurred historically on a number of deposits to date which involved the relocation of houses, associated structures and village infrastructure and in addition affected numerous agricultural fields and trees. The resettlement programmes provide for livelihood restoration. During the initial planning for Karma Gold Mine assessments indicated that approximately 5,000 people could have been affected, however several measures were introduced in the mine plan to limit this. These measures included careful selection of the barrage site, mining in some pits without blasting (reduced the buffer zone from 500m to 250m) and selection of heap leaching.

The resettlement has been led by the affected communities, traditional leaders and representatives from local and provincial government by means of resettlement and compensation committees. Livelihood restoration initiatives include a rice-farming and organic fertiliser and compost production initiatives. These have been coupled with supply of agricultural equipment and development of two grain mills. For the resettlement programmes completed to date, final audits are not yet complete, and these are required to be finalised as part of the resettlement implementation process.

Current operations and the LoMp assuming continue mining operations at GG1, Kao North, Nami, Rambo West and the Yabonsgo deposits. No substantive physical resettlement requirements have been identified to date at these deposits and no requirement for economic resettlement have been determined.

Other Issues – Illegal Mining

There are numerous unauthorised artisanal and small-scale mining sites on the exploration concessions and there is some encroachment on the Karma Licence area.

Other Issues – Water Impacts

Reportedly, the HLF was designed and located to minimise the risk of a contaminant plume emanating from the mine site. Also, the storm water storage pond is designed with enough capacity to contain the inflow from the 1/100-year storm event in addition to its normal operating volume.

As part of KGM 2014 FS completed in 2014, 31 samples comprising saprolite, transition, and fresh rock were subject to Acid-Base-Accounting ("**ABA**") test work. From this it was concluded that the process waste remaining on the heap and stockpiled waste rock has little ARDML potential. A small portion of the ore was found to have potential to generate acid due to the minor presence of sulphide mineralisation, but this was deemed to be of no concern as the surrounding host rock and the cement in the heap reportedly provide enough buffering capacity to maintain a neutral pH.

To date, mining at Karma Gold Mine has been limited to oxide ore and further ARDML test work is needed to predict the potential long-term geochemical reactivity of material extracted by the mine and to develop robust closure plans. Samples tested must represent the range of lithologies to be mined over the remaining life of mine.

Other Issues – Cultural Heritage

The Karma Licence is rich in archaeological remains. Identified sites of importance were avoided in the project design and a chance finds procedure is in place at the mine.

Energy, Emissions and Water Usage Metrics

Table 7-41 presents a summary of the energy, emissions and water usage metrics at Karma Gold Mine for the period 2017 through 2020.

Table 7-41: Karma Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	3,552	4,097	4,196	4,871
Energy Consumption	(MWh)	160,295	182,162	173,948	188,833
	(kWh/t)	45	44	41	39
Water Consumption	(Ml)	-	179	374	425
	(Ml/t)	-	44	89	87
GHG Emissions	(tCO_2e)	39,789	44,917	20,159	47,114
	($kgCO_2e/t$)	11.2	11.0	4.8	9.7

7.10.3 Mine Closure

A conceptual closure plan and cost estimate was prepared by Socrege in 2016 which only covered the GG1, GG2 and Rambo pits, the HLF and barrage. The closure estimate for a mine with a life ending in 2026 was historically estimated at US$7.58m.

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$12.3m for Karma Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$21.9m (Table 7-42) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence in 2021. In accordance with the three main sub-divisions of expenditures the total LoMp closure costs comprise: pre-closure and closure expenditures of US$17.8m and post closure monitoring expenditures of US$4.1m.

In addition to the mine closure costs, the retrenchment costs are estimated at US$3.2m which provides for a total Environmental and Social Liability estimate of US$25.1m.

It is however important to note that the Group immediate closure as estimated as presented in Table 7-42 reflects the Group's current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the HLF, increased depth of final cover, increased costs for future WRDs and

increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that currently reflected in the ARO estimate by the Group.

Furthermore, SRK understands that the amount currently accumulated in the escrow account for Karma Gold Mine held by the Ministry of Environment at Central Bank is estimated at US$2.6m.

Table 7-42: Karma Gold Mine Environmental and Social Liabilities

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	1,493	1,493
Waste dumps	1,526	2,263
TSF	4,216	-
RoM Pad & Stockpile	44	44
Leach pads	-	7,018
Explosive magazine	100	100
Plant	44	2,900
Mobile maintenance workshop	80	80
Hydrocarbon	1	1
Road	120	120
Monitoring	3,279	3,279
Tailings Water Treatment	250	250
Buildings and Infrastructure	-	-
Indirects	-	-
Contingency	1,115	4,387
Total	**12,268**	**21,935**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

7.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to the Karma Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 7-43). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR. The scenario presented is limited to depletion of the stated Ore Reserves as at 31 December 2020 and does not reflect the potential for continued operations assuming inclusion of Inferred Mineral Resources and potential expansion of the open pit at a higher short-term gold price.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 7.4 and Section 7.5 of this CPR which projects processing of a total of 5.5Mt grading 0.90g/tAu with weighted average recovery of 81.7% to produce 129koz of gold.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold produced is determined at 129koz and

with no further adjustments for GIC and FG resulting in total sales of 129koz.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Karma Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$1.41/$t_{mined}$ and US$7.70/$t_{milled}$ respectively;
- Site General and Administration annual operating expenditures assumed at US$9.7m in 2021 reducing to US$7.8m on planned depletion of the Ore Reserves;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$1.9m and the LoMp weighted average unit rate per tonne milled is estimated at US$0.62/t;
- Commodity prices for primary consumables inclusive of base prices, transport costs and duties include: activated carbon (US$3,190/t); caustic soda (US$990/t); cyanide (US$2,580/t); hydrochloric acid (32%) (US$470/t); cement (US$180/t) and fuel delivered to site at (US$1.09/l);
- Royalties determined in accordance with the sliding scale referenced in Section 7.2, other related third-party royalties and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 1.0% of the projected sales revenue determined on the basis of gold sales and the gold price assumptions as reported herein. As for the royalty determinations these are not included in the TEPs and are reported in Section 15 of this CPR;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$2.33/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Burkina Faso which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures which largely reflects expenditures relating to HLF pad preparation for each new cell to be constructed on top of cells from prior lifts (US$5.2m);
- Sustaining capital expenditures inclusive of mining related expenditures of US$5.5m;
- Capitalised waste estimates as reference above and amounting to a total of US$12.3m over the LoMp; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$25.1m.

Table 7-43: Karma Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	34,443	21,754	12,689	-	-	-	-	-	-	-
Waste	(kt)	29,281	19,024	10,257	-	-	-	-	-	-	-
Ore	(kt)	5,162	2,729	2,433	-	-	-	-	-	-	-
	(g/tAu)	0.93	0.89	0.96	-	-	-	-	-	-	-
	(kozAu)	154	79	75	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	5.67	6.97	4.22	-	-	-	-	-	-	-
Ore Processed	(kt)	5,482	3,049	2,433	-	-	-	-	-	-	-
	(g/tAu)	0.90	0.84	0.96	-	-	-	-	-	-	-
	(kozAu)	158	83	75	-	-	-	-	-	-	-
Recovery	(%)	81.74	81.24	82.29	-	-	-	-	-	-	-
Production	(kozAu)	129	67	62	-	-	-	-	-	-	-
Poured	(kozAu)	129	67	62	-	-	-	-	-	-	-
Sales											
Gold	(kozAu)	129	67	62	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(48.5)	(29.03)	(19.44)	-	-	-	-	-	-	-
Processing	(US$m)	(42.2)	(23.49)	(18.74)	-	-	-	-	-	-	-
SG&A	(US$m)	(17.5)	(9.73)	(7.76)	-	-	-	-	-	-	-
CG&A	(US$m)	(3.4)	(1.86)	(1.55)	-	-	-	-	-	-	-
Realisation	(US$m)	(0.3)	(0.16)	(0.14)	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	12.3	9.26	3.07	-	-	-	-	-	-	-
Total	**(US$m)**	**(114.3)**	**(64.60)**	**(49.69)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(5.2)	(5.23)	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(5.5)	(3.05)	(2.43)	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	(12.3)	(9.26)	(3.07)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(25.1)	(3.02)	(17.99)	(0.82)	(0.82)	(0.82)	(0.82)	(0.82)	-	-
Other	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(48.1)**	**(20.55)**	**(23.49)**	**(0.82)**	**(0.82)**	**(0.82)**	**(0.82)**	**(0.82)**	**-**	**-**

7.12 Risks and Opportunities

The key **risks** relating to Karma Gold Mine are:

- **Mining Production Risk:** Whilst there is only a limited LoMp based on currently reported ore Reserves, 2020 noted certain challenges in respect of mining equipment availability and as such a PCR programme was experiencing some delays in securing critical spares. This has been addressed to some extent through the mobilisation of an additional PC1250 Excavator and three additional HD785 dump trucks. Furthermore, a portion of the Kao North Ore Reserve requires completion of grave relocation in order to secure access as more than 50% of the Ore Reserve is dependent upon completion of the relocation of the graves in early 2021;
- **Processing Production Risk:** Low aggregate production utilised in pad construction remains a challenge largely due to hard rock crusher availability and limited fresh rock from the open pits. An alternative strategy has been developed to use the screening plant for treatment of laterite and in addition to ensure that there are sufficient critical spares in stock for the hard rock crusher;
- **Metallurgical Recovery Risk:** the current LoMp assumes processing of GG1 ores in 2021 and recovery may be impact by presence of high copper mineralisation. To mitigate against this risk addition of cyanide in the agglomeration process has been implemented as well as

continuation of the metallurgical testwork programme;

- **Security Risk:** As of end 2020 the security detail indicated that 30 additional gendarmes for the defence position were still pending and this requires further management attention to address accordingly;
- **Permitting Risk:** Environmental approval for Rambo West has not been secured to date and further work is required to ensure that authorisation is granted to facilitate commencement of mining operations in 2021; and
- **Mine Closure Risk:** Given the potential imminent closure of Karma Gold Mine, additional technical work is required to develop a detailed pre-closure, closure and post closure plan incorporating a detailed engineering and execution plan to a minimum of feasibility study level. The current level of closure design is considered to be at scoping/prefeasibility study level and as such cannot be utilised for detailed closure implementation. As part of this programme further work is required to address:
  - strengthening of the environmental management system on site and obtains certification for this as planned,
  - establishing a compliance obligations database for obligations in permits and agreements and track conformance with these systematically,
  - upgrading of monitoring programs to better understand impacts on land and water users and habitats around and downstream of the mine sites,
  - undertaking resettlement completion audits to check that livelihoods of displaced people have been restored,
  - completion of any additional ARDML studies.

The key **opportunities** relating to Karma Gold Mine are:

- **LoMp Extension:** to sustain operations beyond 2022 through consideration of a higher long-term gold price (US$1,500/oz) which at the planned production rate could extend operations by approximately a further two years albeit through mining and processing of an additional 5.0Mt grading 0.82g/tAu. Beyond this it would be necessary to investigate and establish the potential for development of a CIL Plant to process the significant transitional and fresh ores which are currently reporting to the Mineral Resource statement;
- **High Pressure Leach Project:** Karma Gold Mine is currently investigating the potential to enhance gold recovery from the heap leach through introduction of high-pressure leaching technology. This is however at a scoping study stage and only limited details are available at this stage; and
- **Exploration Potential:** Beyond the currently defined Mineral Resources additional potential exists to explore the various targets identified within the Karma Licence area and the wider exploration permit areas.

8 MANA GOLD MINE

8.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Company and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly. Furthermore, for the periods ending 31 December 2018 through 2020, the Group has restated the pre-Acquisition cash costs in accordance with its accounting policies and accordingly will differ from those cash costs reported herein.

The current Mineral Resource and Ore Reserve Statements as reported for Mana Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

8.2 Mineral Asset Background

Commissioned in 2008 Mana Gold Mine comprises an open pit, underground mining operation and a carbon-in-leach processing facility (the "**Mana CIL Plant**"), a single TSF, WRDs and other supporting infrastructure. The current LoMp assumes mining from the Wona South and Wona North open pit until depletion in 2022, continuation of mining at the Siou underground mine and establishment of a new underground mine at Wona (2022) which enables continued operations through to planned depletion of the Ore Reserves in 2029.

The current LoMp as reported herein is limited to depletion of the Ore Reserves (including stockpiles) from 1 January 2021 through calendar 2029. Total material mined reduces from 22Mt to 2Mt by 2023 as open pit mining operations are depleted and generally remains at this level until 2026 thereafter reducing in accordance with the production tail at Wona underground mine. Total ore processed is assumed at 2.3Mtpa in 2021 which then reduces to 1.6Mtpa from 2023 onwards to process a total of 14.2Mt grading 3.10g/tAu and total gold production of 1.2Moz attained at a weighted average metallurgical recovery of 86.8%. Annual gold production generally ranges from 190koz to 160koz from 2021 through 2024, thereafter reducing to 120koz Au from 2026 onwards.

Weighted average AISC is forecasted at 1,080/ozAu. Total capital expenditure comprising growth (including non-sustaining: US$126.8m) and sustaining capital (US$102.0m) is estimated at US$228.8m with mine closure costs (inclusive of retrenchment) estimated at US$33.9m. The current mining operations are a combination of owner (open pit) and contractor

(underground) operated and are largely planned to remain as such for the remainder of the LoMp.

The technical information as reported herein is largely sourced from: an *"Mana Property, Burkina Faso NI-43-101 Technical Report Disclosing the results of the Siou underground Pre-feasibility Study"* published on 31 December 2017 (the "**Mana 2017 43-101**"); a *"Pre-Feasibility Study on the Mana Gold Mine – Wona underground, Republic of Burkina Faso"* published on 15 March 2021 (the "**Mana 2021 43-101**"); and the latest annual LoMp generated by the Group as part of its annual planning process; and the Mineral Resource and Ore Reserve statements dated 31 December 2020.

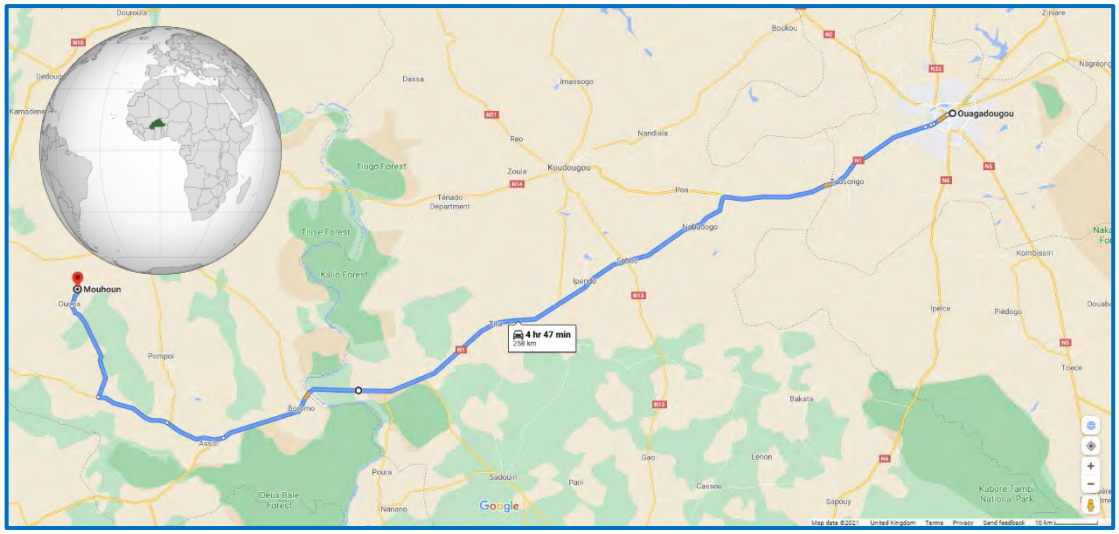
Location, Access and Infrastructure

Mana Gold Mine is located at latitude 11°59'50" north and longitude 03°234'56" west and straddles the boundary of the Mouhon Province and Balé Province of the Boucle du Mouhoun administrative region. The Mana Gold Mine lies approximately 210km (Figure 8-1) west-southwest of Ouagadougou, the capital of Burkina Faso, 40km south of Dedougou (the capital of the Boucle du Mouhoun Region and Mouhoun Province) and 5km south of Kona.

Access to the mine site is via all-weather surfaced national roads, specifically the N1 and N14 roads from Ouagadougou and Dedougou respectively, and well-maintained gravel roads to the mine. The D29 district dirt road provides access to the N1, and along this route the mine is 260km from Ouagadougou (going northeast on the N1) and 120km from Houndé Gold Mine (going southwest on the N1). Access to the various parts of the concessions is provided by a network of roads and trails that were locally upgraded the Group. An approximate 15km haul road has been constructed between the Mana Gold Mine and Siou underground mine.

An international airport is located at Ouagadougou, serviced by regular flights from Europe and other African countries.

Figure 8-1: Mana Gold Mine location map



Physiography and Climate

Most of the area lies at elevations of about 350m with local highs of 450m on several lateritic hills that dot the landscape. Those hills are mostly found to the southeast of the Fobiri 2 permit, the south of the Wona-Nyafé mining permit (with the Nyafé and F67 deposits) and most of the Mana West (or Bana) permit. The north part of the mining permit, where with the Wona-Kona deposit and milling facilities are located, is on relatively flat topography. Vegetation in the region is a mosaic of cultivated land and tropical acacia savannah.

Several villages and small towns are situated near the permit area. Mana Gold Mine lies in the Mouhoun River catchment, approximately 60km from the Mouhoun River. Tributaries are ephemeral and only flow after heavy rains. Watercourses and groundwater are important water sources in this semi-arid area. Livelihoods of residents depend primarily on agriculture practiced throughout the region.

The Mana Gold Mine lies in the Sudano-Sahelian climate region, is semi-arid with distinct hot and dry (October to April) and cool and wet (May to September) seasons. Rainfall averages 830mm per annum. There is high interannual variability in rainfall and August is generally the wettest month, with rainfall of up to 415mm at Wona. Average annual temperature is 28ºC and during the dry season temperatures increase to 33ºC to 42ºC, during the wet season they drop to 14ºC to22 ºC. Wind speeds are generally low and air quality is good, except for the November to March period when Harmattan winds can carry high dust loads.

Ownership, Mineral, Mining and Exploration Rights

The Group manages its equity interest in Mana Gold Mine via a 90% equity interest in Semafo Burkina Faso S.A ("**Semafo BF**") which in turn has a 100% equity interest in the Mana Gold Mine and the remaining 10% is held by the GoBF.

Pursuant to its mining convention with the Sate of Burkina Faso, the Company is required to pay a royalty based on a sliding scale in accordance with the prevailing gold price: 3.00% to US$1,000/ozAu; 4.0% from US$1,000/ozAu to US$1,300/ozAu; and 5.0% above 1,300/ozAu. Furthermore, in accordance with its mining convention, gold sales from the Mana Gold Mine is also subject to contributions to a Social Development Fund of 1.0%.

Mana Gold Mine has a single exploitation licence (the "**Mana Licence**" - Table 8-1; Figure 8-2) granted originally on 20 March 2007 and following various decrees and orders resulted the latest of which is Decree No. 2019-1353/PRES/PM/MMC/MINEFID/MEEVCC of 31 December 2019. The Mana Licence and mining agreement is valid until 20 March 2030 and renewable for consecutive periods of five years. In addition, the regional land package also includes eight contiguous exploration permits which extends over an area of 1,231km^2 in which the Group has a 100% equity interest held through two wholly owned subsidiary Mana Mineral S.A. ("**Mana Mineral**") and Resources Tangayen SARL ("**Tangayen**").

Table 8-1: Mana Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Semafo Burkina Faso S.A.	Mana	2019-1353/PRES/PM/MMC/MINEFID/MEEVCC	90.00	76.9	20/03/2030	9.2

The mining convention signed on 2 October 2007 is an agreement between government of Burkina Faso (represented by the Ministry of Mines, Quarries and Energy) and the operating company, Semafo Burkina Faso S.A. It was signed on 2 October 2007. Obligations in the convention pertaining to environmental, social and governance include:

- preferential use of national services and materials wherever possible (Article 6);
- preferential employment of national people, implementing a training programme, respecting employment law and replacing expatriates with nationals who have acquired the same experience (Article 7);
- from the date of first commercial production, contribution to the improvement of schools, hospitals and other community infrastructure (Article 7);
- fair compensation of people displaced or otherwise affected by mine activities (Article 9);
- protection of the environment (Article 11);
- maintenance of bank account within Burkina Faso for a restoration fund for the mine site as

defined by the mining regulations – the cost must cover the implementation of an environmental preservation and rehabilitation program and is exempt from corporation tax (Article 11); and

- payment of other taxes and fees (Articles 19 and 20).

Figure 8-2: Mana Gold Mine mineral tenure map



Historical Development

All but one of the permits forming the Mana Property were obtained by Mana Mineral SARL, an indirect subsidiary of the Group, directly from the government of Burkina Faso. No previous work was carried out in the area apart from minor artisanal mining. Exploration work by Mana Mineral at the Mana Gold Mine commenced in October 1997 and led to the initial discovery of the Nyafé, Filon 67 and Wona deposits. The latter was renamed Wona-Kona following the discovery of the Kona deposit in 2010. A formal feasibility study and environmental impact study were initiated in 2004. The results of the feasibility study were made public in August 2005 (the "**Mana 2005 FS**") while the environmental impact study was completed in 2006 (the "**Mana 2006 EIS**". In 2008 the capital costs relating to construction activities at Mana Gold Mine are reported at US$100.0m of which US$68.5m was invested through to 31 December 2017.

A public hearing on environmental impact began in 2006. The Ministry of Environment of Burkina Faso approved the project and the mining permit for development of the Wona and Nyafé deposits was granted in February 2007.

Mill start-up took place on 15 February 2008 and the first doré bar was poured on 31 March 2008. Initial capacity was 2,000t/d based on ball mill capacity and a few months later, the capacity was increased to 4,000t/d. In 2010, a SAG mill was added to increase mill throughput to 6,000t/d. Two additional CIL tanks were added in 2010 to optimize gold recovery. In February 2011, a fourth phase of plant expansion to attain up to 7,200t/d in fresh ore and up to 8,000t/d in blended fresh and oxide ore was launched.

The principal changes to the processing plant include the installation of a new pebble crusher into the grinding circuit, addition of two new generation units to the power plant, addition of one CIL tank, upgrade of the elution circuit and upgrading all services in the mill. The commissioning

of the latest expansion (Phase 4) was completed in July 2012 and current plant throughput exceeds nameplate capacity.

Further exploration between 2010 and 2016 led to the discovery and delineation of five different mineralised zones, of which two, Siou and Fofina, have since contributed significantly to gold production. First production from the Siou and Fofina deposits commenced in 2014 and in 2017 a pre-feasibility study for the Siou underground mine was completed (the "**Siou 2017 PFS**"). Development for the Siou underground mine commenced in 2018.

Minor exploration was completed by Goldrush on the Pompoi permit, prior to the acquisition by Semafo, including a soil sampling program on the south part of the permit and 131m (five holes) of air core drilling to test two soil sample anomalies.

From commencement of operations in 2008, Mana Gold Mine has processed a total of 29.9Mt grading 2.75g/tAu and produced a total of 2.3Moz of gold with a weighted average gold recovery of 90.8% and an all-in sustaining cost of US$906/ozAu. On 1 July 2020, the Mana Gold Mine was acquired by the Group through the Semafo Acquisition.

Two pit wall failures within the Wona pit (2018, and 2019), resulted in an external geotechnical review being conducted by Golder Associates which in turn resulted in revised slope parameters for the various geotechnical domains. Nyafé satellite pit is not included in the Ore Reserve reported in the 2020 Statements, due to the refractory characteristics of the remaining ore, which cannot be processed with the Mana CIL Plant configuration. Siou open pit has been depleted since it was reported in the in the 2019 Statements and Yama satellite pit was also removed from the Ore Reserve estimates due to a scheduled delay in the commencement of the permitting process. Fofina satellite pit was also removed from the 2020 Statements due to the limited overall content and the justification of a stand-alone operation situated 25km distant from the Mana CIL Plant.

Historical Operating Performance

Table 8-2 presents a summary of the technical and economic performance for Mana Gold Mine reflecting all revenue and expenditures from 2015 through 2020. Since 2015, Mana Gold Mine has mined a total of 12.6Mt of ore grading 3.12g/tAu with open pit ore contributing 11.8Mt grading 3.02g/tAu at an average stripping ratio of 16.4t_{waste}:t_{ore}. During this period the Mana Gold Mine processed a total of 15.0Mt grading 2.77g/tAu to produce 1,238koz of gold indicating an overall recovery of 92.8% to enable sales of 1,232kozAu at an overall AISC of US$834/oz. Total capital expenditures (excluding working capital) expended from 2015 through 2020 are reported at US$330.8m with, sustaining capital contributing US$302.9m and non-sustaining capital contributing US$27.9m. Total operating profit and total pre-tax pre-finance cashflow since 2015 is reported at US$886.8m and US$604.4m respectively.

For the 12-month period ending 31 December 2020 Mana Gold Mine processed 2.43Mt grading 3.02g/tAu with a recovery of 92.6% resulting in gold production of 219koz. Total sales in 2020 reported 214kozAu with accompanying AISC of US$769/oz. Financial performance statistics for 2020 indicate operating profit of US$265.4m and pre-tax pre-finance cashflow of US$215.6m.

Table 8-3 presents a summary of historical performance and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 170kozAu to 190kozAu; AISC US$975/oz to US$1,050/oz; and total capital expenditure of US$97.0m (non-sustaining capital expenditure of US$62.0m; sustaining capital expenditure of US$27.0m; and exploration expenditure of US$8.0m).

Table 8-2: Mana Gold Mine historical performance[1]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	16.4	14.3	16.1	17.1	15.9	21.0	15.3
Mined	(Mt)	204.46	36.61	37.20	40.98	35.76	29.42	24.50
Waste	(Mt)	192.68	34.22	35.02	38.71	33.65	28.08	23.00
Ore (o/p)	(Mt)	11.78	2.39	2.18	2.27	2.11	1.34	1.50
	(g/tAu)	3.02	3.57	3.37	2.81	2.64	2.84	2.69
	(kozAu)	1,145	274	235	205	179	122	130
Ore (u/g)	(Mt)	0.81					0.1	0.71
	(g/tAu)	4.53					4.60	4.52
	(kozAu)	118	-	-	-	-	15	104
Processing	(Mt)	14.96	2.40	2.75	2.74	2.57	2.06	2.43
	(g/tAu)	2.77	3.63	2.88	2.46	2.36	2.28	3.02
	(kozAu)	1,334	280	255	217	195	151	236
Recovery	(%)	92.8	91.4	94.2	95.2	92.7	89.8	92.6
Production	(kozAu)	1,238	256	240	206	181	136	219
Sold	(kozAu)	1,232	259	241	205	181	132	214
Financial								
Revenue								
Gold Price	(US$/oz)	1,341	1,161	1,249	1,262	1,268	1,367	1,782
Revenue	(US$m)	1,651.2	300.1	300.5	259.0	229.7	180.0	381.9
Operating Expenditure								
Mining	(US$m)	(688.8)	(115.6)	(119.1)	(123.6)	(132.7)	(97.8)	(100.2)
Mining - o/p	(US$m)	(646.7)	(115.6)	(119.1)	(123.6)	(132.7)	(97.8)	(58.0)
Mining - u/g	(US$m)	(42.1)						(42.1)
Processing	(US$m)	(51.3)	-	-	-	-	-	(51.3)
Site G&A	(US$m)	(29.0)	(2.4)	(2.8)	(2.6)	(2.6)	(2.4)	(16.1)
Regional G&A	(US$m)	(0.0)	-	-	-	-	-	(0.0)
Refining, Transport, By-product	(US$m)	(0.5)	-	-	-	-	-	(0.5)
Royalty + SDF	(US$m)	(72.7)	(12.0)	(12.9)	(10.8)	(10.1)	(8.5)	(18.4)
Capitalised Waste	(US$m)	69.9	-	-	-	-	-	69.9
o/p	(US$m)						9.8	52.5
u/g	(US$m)							17.4
CSR	(US$m)	(5.5)	0.9	(1.0)	(0.9)	(0.2)	(0.7)	(3.6)
Inventory Movement (cash)	(US$m)	3.7	-	-	-	-	-	3.7
Inventory Movement (non-cash)	(US$m)	-	-	-	-	-	-	-
Total	**(US$m)**	**(764.4)**	**(129.2)**	**(135.8)**	**(137.9)**	**(145.5)**	**(99.5)**	**(116.6)**
Operating Profit	**(US$m)**	**886.8**	**171.0**	**164.7**	**121.1**	**84.2**	**80.5**	**265.4**
Capital Expenditure								
Growth	(US$m)	-	-	-	-	-	-	-
Sustaining	(US$m)	(302.9)	(39.4)	(41.5)	(58.9)	(49.0)	(43.9)	(70.3)
Non-Sustaining	(US$m)	(27.9)	-	-	-	-	-	(27.9)
Working Capital Movement	(US$m)	48.4	-	-	-	-	-	48.4
Total	**(US$m)**	**(282.4)**	**(39.4)**	**(41.5)**	**(58.9)**	**(49.0)**	**(43.9)**	**(49.8)**
Pre-Tax Pre-finance cashflows	**(US$m)**	**604.4**	**131.5**	**123.3**	**62.2**	**35.2**	**36.6**	**215.6**
Unit Rates								
Mining	(US$/$t_{mined}$)	3.36	3.16	3.20	3.02	3.71	3.31	3.97
Mining - o/p	(US$/$t_{mined}$)	3.16	3.16	3.20	3.02	3.71	3.32	2.37
Mining - u/g	(US$/$t_{mined}$)	51.82	-	-	-	-	-	59.05
Processing	(US$/$t_{proc}$)	3.43	-	-	-	-	-	21.09
Site G&A	(US$/$t_{proc}$)	1.94	1.00	1.03	0.95	1.02	1.17	6.61
Regional G&A	(US$/$t_{proc}$)	0.00	-	-	-	-	-	0.00
Direct Site Costs	(US$/$t_{proc}$)	97.45	97.35	87.51	91.15	104.10	96.03	110.04
Refining, Transport, By-product	(US$/oz)	0.4	-	-	-	-	-	2.5
Royalty + SDF	(%)	4.4	4.0	4.3	4.2	4.4	4.7	4.8
AOC	(US$/oz)	618	503	560	667	786	762	544
AISC	**(US$/oz)**	**834**	**645**	**720**	**942**	**1,018**	**1,100**	**769**
AIC	(US$/oz)	900	652	737	959	1,074	1,163	1,019
Total Costs	(US$/oz)	900	652	737	959	1,074	1,163	1,019

[1] All information sourced from public domain reporting data.

Table 8-3: Mana Gold Mine: historical and current guidance[1]

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	225-245	215-235	175-195	170-190	185-205	170-190
AISC[1]	(kozAu)	720-760	795-835	1,020-1,070	950-1,020	1,050-1,120	975-1,050
Growth	(US$m)	-	-	-	-	-	-
Sustaining	(US$m)	15.90	12.00	10.00	10.00	6.00	27.00
Non-Sustaining	(US$m)	28.40	34.00	44.00	86.00	64.00	62.00
Exploration	(US$m)	-	23.00	7.00	4.00	2.00	8.00

[1] AISC estimate reflect the Company's reporting policy at the time of reporting.

8.3 Geology and Mineral Resources

8.3.1 Regional and Deposit Geology

The Mana district (Figure 8-3) is located in the northern part of the Houndé greenstone belt of the Palaeproterozoic Birimian Supergroup. The lithostratigraphic succession of the Mana deposits is typical of greenstone belts, being characterized by a basal tholeiitic basaltic suite with some intercalations of argillic sedimentary rocks, overlain by predominantly pelagic and detrital sedimentary rocks (shale, sandstones, greywacke and volcanoclastics). The Mana district basalt unit has undergone submarine hydrothermal alteration with epidote, chlorite and local albite, and contains zones of strong silicification, some of which are anomalous in gold. The Paleoproterozoic formations are affected by polyphase deformation and greenschist facies

metamorphism, with amphibolite facies assemblages that locally occur as metamorphic aureoles around some later formed granitoids.

The Wona-Kona deposit is hosted in a sequence of deformed pelitic sediments, with localised graphitic horizons and volcanoclastics. Gold mineralisation is developed along a regional northeast-southwest subvertical fault zone. The stratigraphic succession has been affected by a pervasive schistosity associated with deformation along the fault and is intruded by a series of mafic and intermediate dykes.

The Siou deposit is a typical shear-hosted quartz vein deposit. Two principal mineralised zones are recognised, namely the Siou and No. 9 zones, both of which strike north-south, dipping moderately to the east. The Siou Zone is a single continuous quartz vein within the Siou Granitic Intrusive, whilst the No. 9 domain comprises a zone of quartz veining along the contact of the Siou Granitic intrusive and contacting sandstones and shales.

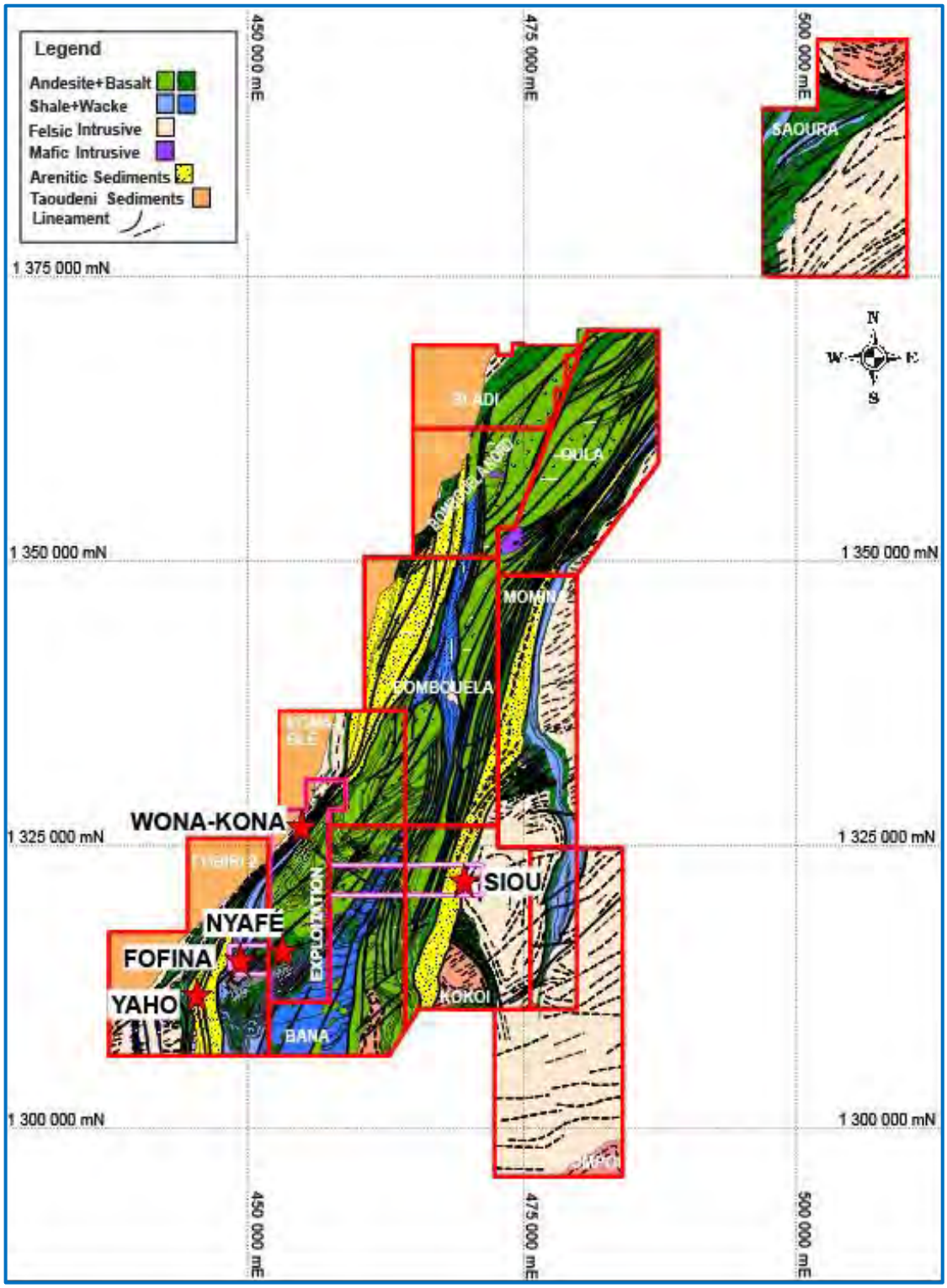
The Filon 67 deposit is hosted by a volcanic sequence of basalt and mafic tuffs. The original stratigraphic sequence is sub-horizontal and overturned, comprising a sequence (from top to bottom) of pillow lavas, pillow breccias and massive lava flows. Several subvertical decimetre-scale dykes intrude the volcanic sequence. Gold mineralisation is associated with shear-hosted quartz veins that show textures indicative of several successive phases of mineralisation.

The Fofina deposit, approximately 2km south of Filon 67, can be described in terms of two domains divided by a zone of volcaniclastic/mafic volcanic rocks. The western domain is hosted by a north-northeast to south-southwest striking, moderately west dipping sheared sedimentary unit, with mineralisation related to a rheological contact with basaltic lavas to the east. The eastern domain is hosted by the eastern basaltic lavas and has similar characteristics to the F67 deposit. The Fobiri deposit is approximately 2.5km south of Fofina, and the Maoula deposit approximately 2.5km east of Fobiri. Fobiri comprises a series of thin, sub-vertical, echelon mineralised lenses that are orientated north-south, and occur within an approximate 2km by 0.5km northeast-southwest corridor. At least two phases of mineralisation are recognised at Maoula. “S1” mineralisation is developed within the local sedimentary sequence, forming undulating to tightly folded structures and “S2” mineralisation comprises two sub-parallel northeast to southwest trending sub-vertical shear zones, approximately 400m apart, which cross-cut the local volcanic and sedimentary stratigraphy. Mineralisation intensity is elevated at the intersection of S1 and S2 structures.

The Yaho and Yama deposits are in the far south-west of the Project area, with Yama approximately 3km south of Yaho. The Yaho deposit is hosted by north-striking and steeply west-dipping sandstone unit, flanked by shales and siltstones to the west and basaltic flows to the east. Gold mineralisation is associated with silicified and sericitized corridors within the sandstone, which also contain increased amounts of sulphides, pyrite and arsenopyrite. Yaho is hosted in the footwall of a north-south striking, moderately east dipping volcanic package, concordant to the contact with the underlying sediments. Localised zones of structural remobilisation of mineralisation are recognised, as well as intrusive-hosted mineralisation in the north, oriented north-northwest to south-southeast, oblique to the primary mineralised trend.

In general, the Mana deposits can be described as typical West African, shear-hosted orogenic gold deposits. The major sulphides associated with the gold mineralisation are pyrite and arsenopyrite. Free visible gold can be observed at the Wona-Kona and Siou deposits. Magnetite occurs as small millimetric prisms along schistosity planes in the walls of mineralised zones.

Figure 8-3: Mana Gold Mine regional sub-surface geology



8.3.2 Exploration Activity

The first exploration of note on the Mana deposits was in the late 1990's, leading to the discovery of the Nyafé deposit. In 1999, geochemical and geophysical prospecting, including gradient IP and magnetometric surveys, helped identify a number of anomalous zones, including the Filon 67 zone to the south-east of Nyafé, and the Maoula and Wona-Kona deposits.

Detailed exploration on the Wona-Kona anomaly started in 2000-2001, confirming the extension of the Wona structure over a 1,600m strike length. Between 2002 and 2008, exploration activities focused on delineation and extension of the Wona-Kona deposit, to enable completion of feasibility studies.

Following commencement of open-pit mining at Wona-Kona in 2008, the exploration drilling between 2009 and 2012 continued to focus primarily on infill and exploration drilling at the Wona-Kona deposit, as well as drilling to delineate mineralisation at the Fofina, Fobiri and Yaho deposits, and expanding understanding of the Maoula, Filon 67 and Nyafé deposits.

By 2012, eight separate deposits were recognised on the Mana property. Namely, the Wona open pit mine, which was in production over a strike length of 4.8km, the Nyafé deposit, which represented a higher grade but thinner mineralised structure, and the Filon 67, Maoula, Fobiri, Fofina, Yaho and Siou deposits.

Following the discovery of the Siou deposit, exploration activity was dedicated to the east half of the property in 2013 and 2014, especially proximal to the Siou Intrusive. This work added considerably to the understanding of the eastern limit of the Houndé Belt. In 2016 and 2017 delineation drilling contributed to the discovery of the Yama deposit.

Drilling in recent years included the following:

- In 2018, 24,022m of RC drilling (177 holes), 5,271m of diamond drilling (17 holes), 8 RC holes with DD tails (1,198m RC plus 2,406m DD) and 71,843m of auger drilling (5,610 holes);
- In 2019, 19,197m of RC drilling (158 holes) and 35,707m of auger drilling (3,492 holes); and
- In 2020, 28,500m were drilled to follow up on resource expansion and targets identified by geological review. Drilling focused on the Kona open pit to evaluate the northeast extension of the Wona-Kona Shear, the northeast extension of the Siou and Zone 9 shears, as well as infill drilling in deeper zones of the southern portion of Siou.

Table 8-4 presents a summary of the drilling conducted by deposit and split between resource development and grade control drilling. Note that auger holes were drilled only for the purposes of exploration targeting and were not used for informing the Mana Mineral Resources. The summary of number and length of holes per deposit presented in Table 8-4 excludes auger drilling.

Table 8-4: Mana Gold Mine: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
Wona-Kona o/p	1,603	303,092	variable 25m-100m by 15m-50m	33	63	3	0
Fofina	933	104,245	25m by 25m	4	88	6	2
Yaho	698	77,117	variable 50m-60 by 50-200m	3	72	26	-
Filon 67	155	15,169	25m by 25m	10	90		-
Fobiri	899	104,665	Variable 25m-100m by 25m-100m	2	64	31	2
Maoula	501	27,754	variable spacing on sections which are separated 50m to 200m	1	72	27	1
Siou u/g+o/p	433	61,171	25m by 25m	59	41		-
Yama	149	20,736	Variable 25m-100m by 25-100m	1	93		7
Total	**5,371**	**713,950**		**11**	**46**	**5**	**0**

8.3.3 Quality and Quantity of Data

RC samples are normally collected at 1m intervals. For each run the RC chips are collected in pre-labelled plastic bags directly from the cyclone on the drill rig. Approximately 30kg to 40kg of material is reduced using a tiered riffle splitter to obtain a subsample of about 2kg which is packed in a polythene bag. Sample tickets are placed into each polythene bag and the hole ID and sample depth recorded on the remaining ticket stub. The riffle splitter is cleaned after each sample with a brush. RC samples are usually collected dry.

Diamond core samples are most commonly 1m in length, however interval lengths are adjusted

in places to honour lithological and mineralisation contacts, with a minimum sample length allowed of 0.2m. After marking sample lengths, the core is cut in half, lengthwise, using a diamond saw, and one half of the core placed in a plastic bag and labelled with the Hole ID and sample depth. A sample ticket labelled with the hole ID and depth is also placed in the bag.

Samples have been analysed either at ALS-Chemex Burkina SARL ("**ALS**") or the on-site Semafo BF laboratory ("**SMF BF**"). The SMF BF laboratory does not hold a recognised accreditation but participates in international proficiency testing programs. ALS-Chemex Burkina SARL is a commercial laboratory independent of the Mana Gold Mine. Samples analysed by ALS are first prepared at an on-site sample preparation facility set-up by ALS at the Mana exploration camp, before transportation to the ALS laboratory in Ouagadougou for assaying. For samples analysed at SMF BF, both sample preparation and assaying is completed at the same lab.

Sample preparation follows the same general methodology at both ALS and SMF BF. The whole sample is crushed to 70% passing 2mm, before being split for pulverization using a rotary or riffle splitter. A 250g split of the 2mm material is pulverized to 85% passing 75µm in a bowl and puck pulveriser, with the remaining material stored as a coarse reject. At ALS, pulp sub-sample is collected (by scooping) and conditioned for shipping to the analytical laboratory. At SMF BF, the pulp is quartered to produce a 50g split for analysis. In both cases the remaining pulp reject is bagged and returned to the exploration camp. All preparation equipment is flushed with barren material prior to the commencement of each run. Cleaning of equipment (e.g., crushers and pulverisers) is by compressed air between each sample.

At both the ALS and SMF BF analytical laboratories, samples are analysed using a standard 50g fire assay procedure with AAS finish, with a lower detection limit of 0.01ppm Au. At SMF BF, samples grading over 15ppm gold are re-assayed using a 50g fire assay procedure with gravimetric finish.

Throughout the drilling campaigns the sampling and assay results have been monitored through the implementation of a QA/QC program to ensure the reliability and trustworthiness of exploration data. This includes the regular insertion of blank samples, CRM and field duplicates into the sample stream, as well as umpire laboratory checks of the SMF BF and ALS assay results at SGS Burkina and comparison of SMF BF with ALS assays. The results of the QA/QC checks undertaken internally have not highlighted any material concerns in the quality of the assay data from either primary laboratory.

8.3.4 Mineral Resource Estimation

The Mana Gold Mine comprises eight deposits, namely Wona-Kona, Siou, Yaho, Maoula, Yama, Fobiri, Fofina and Filon 67, in addition to stockpile material. For most of these deposits, the reported Mineral Resources are solely open-pit, other than for Wona-Kona, which includes open-pit and underground components, and Siou, for which the historic open-pit resources are fully exhausted by mining and only an underground Mineral Resource is reported. The current Mineral Resource estimate for the Siou and Wona-Kona deposits is based upon Mineral Resource models that were most recently updated by the Group in October 2020 and August 2020 respectively. The Mineral Resource models that have been used to report the 2020 Mineral Resources for the other Mana deposits were most recently updated by the prior owners between 2013 and 2017. No drilling has been completed on the Filon 67, Fobiri, Maoula, Fofina, Yama or Yaho deposits between the date of the most recent Mineral Resource model updates and December 2020, other than a small amount of RC drilling on the Fofina deposit in 2016, which only constitutes approximately 1% of the drilling completed on this deposit and is not considered to materially impact on the global Mineral Resource. The Mineral Resource for the

Filon 67, Fobiri, Maoula, Fofina, Yama and Yaho deposits have only been updated for mining depletion (where applicable), adjustment of cut-off grade or pit optimisation parameters used in reporting the resources, or inclusion / exclusion of additional blocks based on updated reporting criteria. No updates have been made to the underlying block models upon which the Mineral Resource statements for these deposits are based.

Geological Domaining, Block Modelling and Interpolation

For all Mana deposits, the estimation is constrained by volumetric mineralisation wireframes, modelled primarily on the basis of downhole assay data (Table 8-5). Other than at Wona-Kona and Siou, modelling of the mineralisation domains was completed in Micromine software. Mineralisation envelopes were digitised on 2D sections based on the raw (un-composited) downhole assay data, with an approximate 0.3g/tAu to 0.5g/tAu cut-off used to define the mineralisation boundary. The inclusion of some internal waste was allowed, to improve continuity of the mineralisation domains both on and between sections. The interpreted section outlines were connected in 3D by tie-lines to produce volumetric wireframes. The mineralisation domains for Wona-Kona and Siou were constructed by the Group in Leapfrog Geo. For both deposits, the Leapfrog vein modelling tool was used to produce tabular volumetric wireframes. At Wona-Kona (Figure 8-4), the interval selection for the estimation domain was based directly on the raw, un-composited downhole assay-data, using a modelling cut-off grade of 0.3g/tAu to 0.5g/tAu, similar to the other Mana deposits.

At Siou (Figure 8-5), the mineralisation domains are based on a combination of downhole assay data and downhole lithology logging, with the wireframes designed to reflect logged quartz veining, and allowed to continue through un-mineralised intersections that are considered to be a continuation of mineralised quartz vein zones. Additionally, a single internal high-grade domain is modelled for the Siou deposit in the southern portion of the deposit within one of the quartz vein domains (Zone 9). This high-grade domain is modelled as a Leapfrog indicator interpolant shell, at a cut-off grade of 5g/tAu. For the Siou deposit, a broad '*stockwork* volume was also modelled as a wider zone surrounding the quartz vein domains in the western half of the deposit.

In addition to the mineralisation domains, oxidation surfaces have also been constructed for each deposit, based on downhole oxidation logging. As modelled, the oxidation profile generally comprises a thin hard-cap and surface laterite which, combined, are normally a few meters thick. These overlay a saprolite horizon, which is normally 20m to 40m thick and a 5m to 15m saprock horizon, which overlies the un-altered fresh rock. The modelled oxidation profile has not been used to sub-domain the mineralisation domains for the estimation of Au grade but was utilised in defining domains for the assignment of density values to the block model.

For all deposits, data conditioning, block modelling and grade estimation were completed in Datamine Studio or RM, and variography undertaken in Geostat+ 2.0. Grade capping was undertaken prior to compositing. For each deposit a single Au cap was applied to all domains, other than Siou, for which capping was undertaken independently on some of the larger domains. Capping limits vary between 10g/tAu and 40g/tAu, other than for the high-grade domain at Siou, for which an 80g/t capping limit was applied. Prior to geostatistical analysis and estimation, the capped assays inside the mineralisation domain wireframes were composited to either 1m (Fofina, Maoula, Siou and Yama) or 2m (Wona-Kona, Yaho, Filon 67 and Fobiri). Block models were coded and sub-blocked by the estimation domains. Parent block size varied by deposit, depending on drill spacing. Most deposits were estimated by OK, with kriging parameters guided by variogram modelling (Table 8-6). The exceptions are Maoula, which was estimated by IDW^2 and Fofina for which some domains were estimated by

ID2 and the other domains estimated by IDW3. Search ellipsoid size and sample criteria (minimum number of holes and minimum / maximum number of composites required for estimation) vary between deposits.

The search ellipsoid orientation was either adjusted on a domain-by-domain basis or applied as a single search orientation across all domains. In most cases, 2nd and 3rd search passes, with expanded search ellipsoids and sometimes relaxed sample requirements, were utilised to fill any blocks not estimated in the first search pass. In the case of Siou, four search passes were completed, for Wona-Kona five search passes were run, whilst at Maoula only two estimation search passes were used. The estimation domains were used as hard boundaries in all estimates. Visual checks and statistical comparisons of input composite grades against estimated grades were used to validate the block model estimates.

For most deposits, fixed density values were assigned to the block model, based on average density per weathering state, supported by density measurements on core samples from the Wona-Kona, Siou, Yama and the Nyafé deposits, as well as metallurgical testwork completed on the Fofina, Fobiri and Yaho deposits. A density study completed on the Siou deposit between 2013-2014 showed that the quartz veins that host mineralisation at Siou are relatively un-affected by weathering. For this reason, fixed densities of either 2.65g/cm^3 or 2.70g/cm^3 were assigned to the estimation domains at Siou, with no change in density based on oxidation state, other than for the waste blocks.

Table 8-5: Mana Gold Mine: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Wona-Kona OP	Modelling methodology: Leapfrog Vein Modelling tool Modelling threshold: COG 0.5g/tAu	2.0km strike by 200m width modelled to 930m depth open at depth	Strike at N046, sub-vertical with a slight dip to east Variable true thickness depending on zones and section. Main sub-parallel zones below: Z3: 2m-8m Z8: 3m-12m present mainly in southern sector Z11: 2m-30m (thickest in northern section of deposit) Z20: 2m-12m Other: small metric zones
Fofina	Modelling methodology: sectional wireframes Modelling threshold: COG 0.5g/tAu	600m strike by 200m width modelled to 220m depth	1) Principal sector: 12 different vein-type structures confined within sedimentary rocks. Strongly dipping to the west along a north-northeast to south-southwest strike Variable true thickness: 2m-7m depending on zones and section (not in RSS) 2) S1S7 sector: 21 different vein-type structures, sub-vertical to strongly dipping to the west along a north-south strike. Variable true thickness: 2m-8m depending on zones and section
Yaho	Modelling methodology: sectional wireframes Modelling threshold: COG 0.5g/tAu	2.9km strike by 250m width modelled to 200m depth	1) 7 zones with variable strike from north-northwest to south-southeast to north-south to north-northeast to south-southwest 2) dip from 60° to 80° to the west Variable true thickness: 2m-25m depending on zones and section
Filon 67	Modelling methodology: sectional wireframes Modelling threshold: COG 0.5g/tAu	550m strike by 200m width modelled to 100m depth	Strike at N046 over 500m dipping at 60° to 70° to the west Variable true thickness: 1m-5m depending on zones and section
Fobiri	Modelling methodology: sectional wireframes Modelling threshold: COG 0.5g/tAu	1600m strike by 200m width modelled to 350m at depth	Strike at ±N045. zones are steeply dipping towards the northwest Variable true thickness: 1m-3m depending on zones and section
Maoula	Modelling methodology: sectional wireframes Modelling threshold: COG 0.5g/tAu	1650m by 130m modelled to 300m depth	1) Strike trending at N030 2) Sub-vertical steep structures (1m-3m true thickness) dipping towards the south-east & sub-horizontal zones (1m-6m true thickness)
Siou u/g	Quartz Vein Domains: Modelling methodology: Leapfrog vein modelling tool Modelling threshold: 0.68g/tAu Stockwork Domain: Modelling methodology: Sectional polylines Modelling threshold: Variable Zone 9 High Grade Domain: Modelling methodology: Leapfrog Indicator Interpolant Shell Modelling threshold: 5g/tAu	2.0km strike by 125m modelled to 475mElev open at depth	9 mineralised structures with an average north-northeast to south-southwest strike and dipping generally 45° east (locally up to 60°) Variable true thickness depending on zones and section. Main zones below: Z9: 3m-20m Z25: 2m-8m (avg: ±4m) Z56: 2m-6m (avg: ±3m) Z11: 10m-40m (Marginal to LG Stockwork envelope with Z9 & Z56 included) Other: small metric zones

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Yama	Modelling methodology: sectional wireframes Modelling threshold: COG 0.5g/tAu	950m strike by 100m width modelled to 200m depth	4 mineralised structures North strike and dipping west at ±70° Variable true thickness: 2m-10m depending on zones and section

Table 8-6: Mana Gold Mine: resource estimation parameters

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Wona-Kona	2m	15g/tAu	hard	Parent blocks: 20m by 20m by 5m	Variograms: nugget 30-40%; range: 30m Search ellipse orientation: RotY: 0°, RotZ: 0 °, RotX:-60° Min No. Holes / Min No. Composites / Max No. Composites: SVOL1: 2/3/20; SVOL2: 2/3/20; SVOL3: 2/3/20; SVOL4:2/3/20; SVOL5: 2/3/20 Search ellipse range: SVOL1: 15m x 12.5m x 3m; SVOL2: 30m x 25m x 6m; SVOL3: 60m x 50m x 12m; SVOL4: 75m x 62.5m x 15m; SVOL5: 150m x 125m x 30m Estimation method: Ordinary Kriging	Iron cap 2.3 Laterite 1.9 Saprolite 2.3 Saprock 2.4 Bedrock 2.85	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Fofina	1m	30g/tAu	hard	Parent blocks: 10m by 10m by 5m	Variograms: N/A Search ellipse orientation: RotY: 0°-45°, RotZ: 0°-30° Min No. Holes / Min No. Composites / Max No. Composites: 3/5/25; SVOL2: 2/4/25; SVOL3: 1/2/25 Search ellipse range: SVOL1: 30m-35m x 25m-30m x 5m-30m; SVOL2: 45m-52.5m x 45m-52.5m x 15m-45m; SVOL3: 60m-70m x 60m-70m x 20m-60m Estimation method: ID2 / ID3	Iron cap 2.3 Laterite 1.9 Saprolite 2.35 Saprock 2.6 Bedrock 2.87	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Yaho	2m	10g/tAu	hard	Parent blocks: 5m by 5m by 5m	Variograms: nugget 30%; range: 30m Search ellipse orientation: RotY: 50°-55°, RotZ: 0°-350° Min No. Holes / Min No. Composites / Max No. Composites: SVOL1: 3/3/20; SVOL2: 2/2/20; SVOL3: 1/1/20 Search ellipse range: SVOL1: 30m x 30m x 10m; SVOL2: 60m x 60m x 20m; SVOL3: 120m x 120m x 40m Estimation method: Ordinary Kriging	Iron cap 2.3 Laterite 1.9 Saprolite 2.35 Saprock 2.6 Bedrock 2.87	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Filon 67	2m	15g/tAu	hard	Parent blocks: 10m by 10m by 3.33m	Variograms: nugget effect: 40%; range: 30m Search ellipse orientation: RotY: 42°-72.5°, RotZ: 5° Min No. Holes / Min No. Composites / Max No. Composites: SVOL1: 2/3/50; SVOL2: 1/2/50; SVOL3: 1/1/50 Search ellipse range: SVOL1: 30m x 25m x 10m; SVOL2: 45m x 37.5m x 15m; SVOL3: 90m x 75m x 30m Estimation method: Ordinary Kriging	Oxide 2.4 Sulphide 2.8	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Fobiri	2m	12g/tAu	hard	Parent blocks: 5m by 5m by 5m	Variograms: nugget 35%; range: 25m Search ellipse orientation: RotY: 0°, RotZ: , RotY: 0° Min No. Holes / Min No. Composites / Max No. Composites: SVOL1: 2/3/20; SVOL2: 2/3/20; SVOL3: 1/1/20 Search ellipse range: SVOL1: 25m x 25m x 10m; SVOL2: 50m x 50m x 20m; SVOL3: 100m x 100m x 40m Estimation method: Ordinary Kriging	Laterite 1.9 Saprolite 2.35 Saprock 2.6 Bedrock 2.87	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Maoula	1m	10g/tAu	hard	Parent blocks: 20m by 20m by 10m	Variograms: N/A Search ellipse orientation: RotY: 0°-30°, RotZ: 0°-30° Min No. Holes / Min No. Composites / Max No. Composites: SVOL1: 3/5/20; SVOL2: 3/5/20 Search ellipse range: SVOL1: 110m-150m x 40m-150m x 25m-150m; SVOL2: 220m-300m x 80m-300m x 50m-300m Estimation method: ID2	CAR 2.3 Saprolite 2.3 Saprock 2.4 Bedrock 2.85	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Siou u/g	1m	20g/tAu to 80g/tAu	hard	Parent blocks: 2.5m by 5m by 5m	1) nugget effect: 25-50%; range: 15 to 25m 2) Search parameters: RotY: 40°-50°, RotZ: 10°-15°; SVOL1:	Mineralisation: 25-55 + 56: 2.65	1) visual validation: blocks Vs composites Vs raw data

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					3/7/25; SVOL2: 3/7/250; SVOL3: 3/7/25; SVOL4: 3/1/25 3)search volume: SVOL1: 15m x 15m x 5m; SVOL2: 30m x 30m x 10m; SVOL3: 60m x 60m x 20m; SVOL4: 120m x 120m x 40m 4) Estimation method: Ordinary Kriging	Other Zones: 2.70 Waste: Iron cap, Laterite and Saprolite: 1.80 Saprock: 2.40 Bedrock: 2.71	2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays
Yama	1m	15g/tAu	hard	Parent blocks: 5m by 5m by 2.5m	Variograms: 17%; range: 25m to 55m Search ellipse orientation: RotY: 0°-20°, RotZ: 0°-30° Min No. Holes / Min No. Composites / Max No. Composites: SVOL1: 3/5/20; SVOL2: 3/5/20; SVOL3: 2/4/20 Search ellipse range: SVOL1: 25m-55m by 15m-25m x 3m-5m; SVOL2: 50m-110m x 30m-50m x 6m-10m; SVOL3: 100m-220m x 60m-100m x 12m-20m Estimation method: Ordinary Kriging	Iron cap 2.3 Laterite 1.9 Saprolite 2.30 Saprock 2.40 Bedrock 2.75	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics and correlation coefficient of blocks Vs composites Vs assays

Figure 8-4: Mana Gold Mine: Wona-Kona deposit east-west drill sections with interpreted mineralised solids

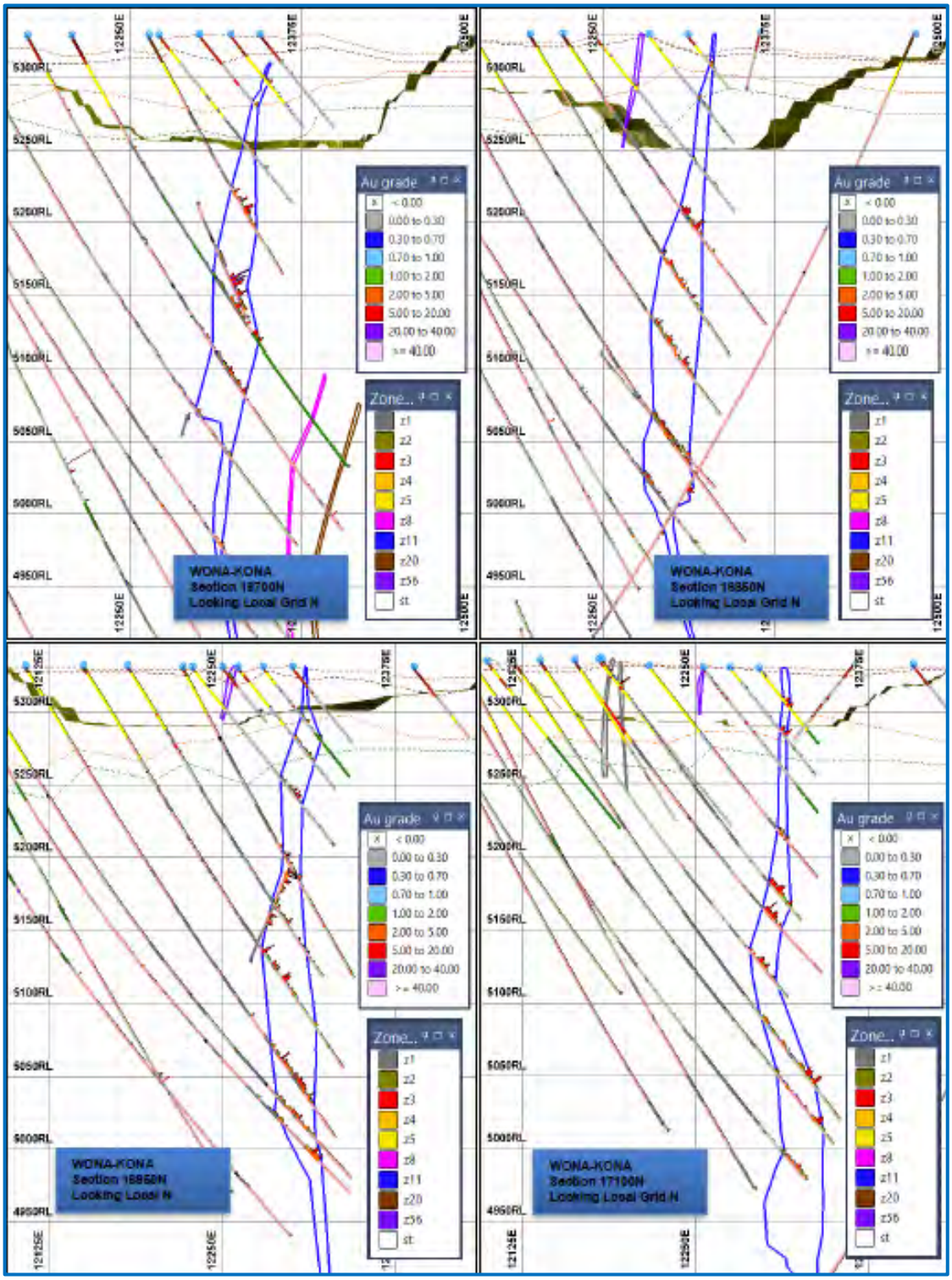
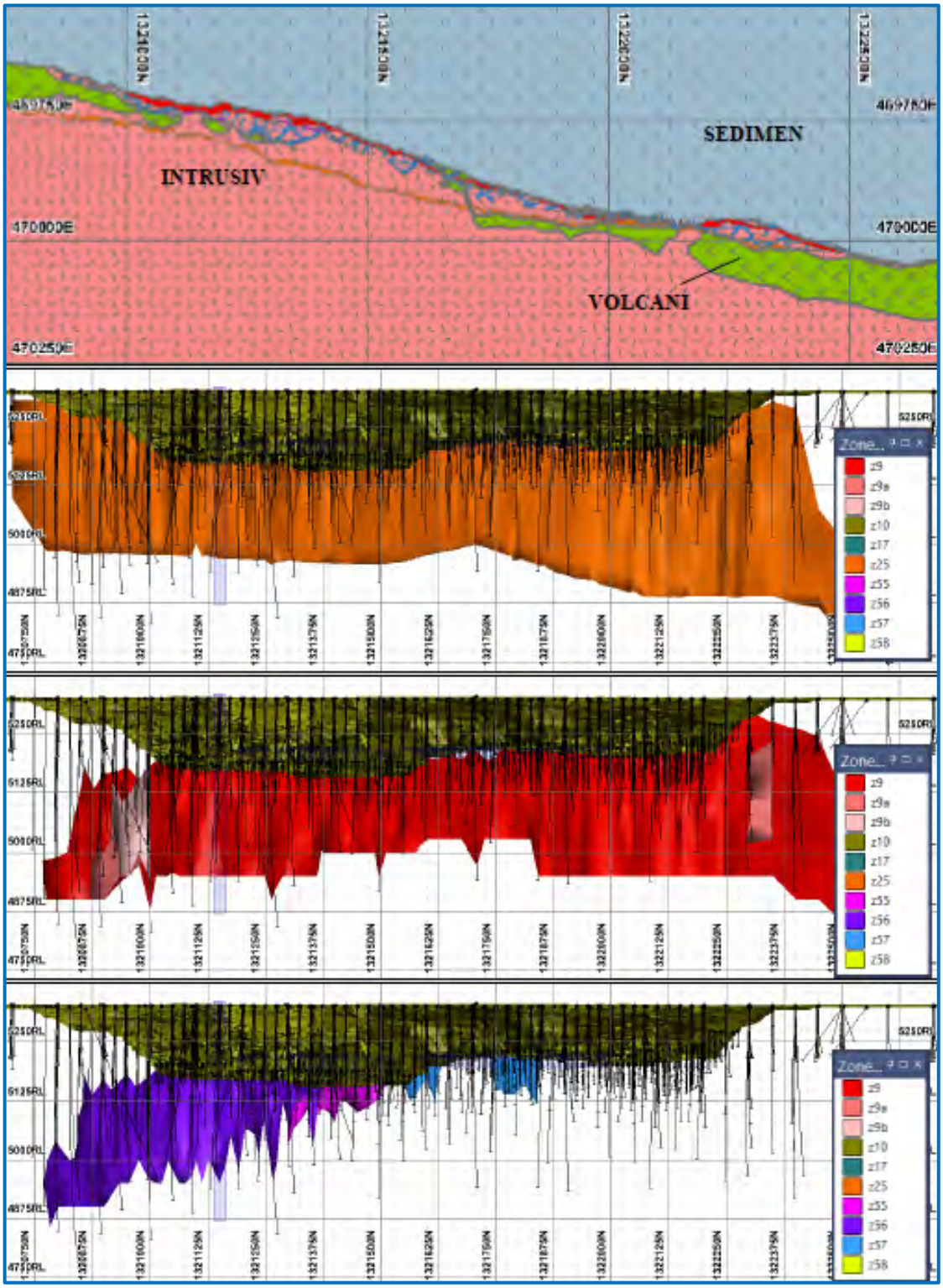


Figure 8-5: Mana Gold Mine: plan view and longitudinal view of the main mineralised zones at Siou deposit



Classification

The Mana block models were primarily classified on the basis of search pass. At Yaho, Yama, Fofina, Fobiri and Filon 67 classification is based directly on search pass, with blocks estimated in search pass 1 being classified as Measured, blocks estimated in search pass 2 classified as Indicated and blocks estimated in search pass 3 classified as Inferred. At Maoula all estimated

blocks are classified as Inferred. For Siou and Wona, search pass was used indirectly as the basis for classification, with manually digitised outlines used to classify the block models, broadly based on the search pass, to simplify the patchy continuity of the search pass extents. Note that, for Wona, the re-digitisation of the classification outlines was only undertaken for some domains, with the classification of other domains being based directly upon search volume. Broadly, this approach has resulted in Measured Mineral Resources being classified in areas drilled at a spacing of 25m or less, and Indicated Mineral Resources being defined in areas with drill spacings of up to 50m to 75 m. That said, for those deposits and domains where classification is based directly upon search volume, Measured or Indicated Mineral Resources may be classified where drill spacing does not meet this criteria, with isolated patches of Measured or Indicated Mineral Resources being classified on or between drillholes.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures. Alternatively, it has also become industry recognised common practice to utilise '*mine stope optimisers*' or other underground optimisation techniques to constrain the reporting of underground Mineral Resources which incorporates a number of key elements including: aggregation of block model units into stope dimensions (minimum sub-level/level/cut and strike lengths); incorporation of minimum mining widths; and exclusion stopes/mining which are distant from current and planned primary infrastructure.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Mana Gold Mine reports its open pit Mineral Resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves save for adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz utilised for reporting open pit Ore Reserves for Mana Gold Mine. The only exception to this is the Wona open pit complex which, given its short operating life a long-term gold price assumption of US$1,700/oz is used for Mineral Resources.

Reporting of open pit Mineral Resources (US$1,700/oz) are constrained within resulting optimisation shells derived using a gold price of US$1,500/oz and in situ cut-off grades which range in accordance with deposit location and weathering type from 0.41g/tAu to 0.56g/tAu for oxide and 0.44g/tAu to 0.69g/tAu for transitional and 0.72g/tAu to 2.54g/tAu fresh rock. For the underground Mineral Resources (US$1,500/oz), the in-situ cut-offs assumed are 2.2g/tAu for

Siou underground mine and 1.84g/tAu for Wona underground mine.

8.3.5 Mineral Resource Statements

As at 31 December 2020 Mana Gold Mine reports total Mineral Resources (Table 8-7) of 55.4Mt grading 2.08g/tAu containing 3.7MozAu and comprising:

- Measured Mineral Resources of 10.8Mt grading 2.19g/tAu and containing 758kozAu;
- Indicated Mineral Resources of 34.5Mt grading 2.03g/tAu and containing 2,250kozAu; and
- Inferred Mineral Resources of 10.2Mt grading 2.14g/tAu and containing 701kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 15.2Mt grading 1.02g/tAu; transitional material of 1.2Mt grading 1.94g/tAu and fresh material of 39.1Mt grading 2.50g/tAu. Mineral Resources reporting to stockpiles comprise a total of 136kt grading 2.78g/tAu containing 12kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 8.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within optimised open-pit shells and MSO shapes assuming a long-term gold price of US$1,500/oz (excepting Wona open pit at US$1,700/oz) and application of varying cut-off grades according to deposit location and weathering type. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 8.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 8-7: Mana Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Wona-Kona o/p	818	2.50	66	4	1.25	0	35	1.84	2	779	2.54	64
Fofina o/p	121	4.27	17	23	2.62	2	37	3.18	4	61	5.56	11
Yaho o/p	5,738	0.91	169	2,946	0.79	75	390	1.80	23	2,402	0.92	71
Filon 67 o/p	26	2.71	2	24	2.60	2	-	-	-	2	4.30	0
Fobiri o/p	459	1.73	26	398	1.69	22	61	1.93	4	1	5.47	0
Siou u/g	3,419	4.22	464	-	-	-	-	-	-	3,419	4.22	464
Yama o/p	44	2.11	3	21	2.07	1	3	1.74	0	20	2.22	1
Stockpile	136	2.78	12	-	-	-	-	-	-	136	2.78	12
Subtotal	**10,764**	**2.19**	**758**	**3,417**	**0.93**	**102**	**526**	**1.91**	**32**	**6,821**	**2.84**	**624**
Indicated												
Wona-Kona o/p	7,010	2.51	566	4	0.79	0	39	1.76	2	6,967	2.52	564
Wona-Kona u/g	13,106	2.59	1,090	-	-	-	-	-	-	13,106	2.59	1,090
Fofina o/p	18	3.72	2	8	3.45	1	5	3.53	1	5	4.36	1
Yaho o/p	11,636	0.88	331	8,171	0.83	218	354	2.05	23	3,111	0.90	90
Filon 67 o/p	8	3.13	1	7	2.89	1	-	-	-	1	4.67	0
Fobiri o/p	113	1.52	6	106	1.51	5	7	1.72	0	0	4.16	0
Siou u/g	1,813	3.50	204	-	-	-	-	-	-	1,813	3.50	204
Yama o/p	762	2.07	51	195	1.91	12	99	1.98	6	469	2.15	32
Subtotal	**34,466**	**2.03**	**2,250**	**8,490**	**0.87**	**236**	**504**	**2.02**	**33**	**25,472**	**2.42**	**1,981**
Measured + Indicated												
Wona-Kona o/p	7,829	2.51	632	8	1.02	0	74	1.80	4	7,746	2.52	627
Wona-Kona u/g	13,106	2.59	1,090	-	-	-	-	-	-	13,106	2.59	1,090
Fofina o/p	139	4.20	19	31	2.83	3	42	3.22	4	66	5.47	12
Yaho o/p	17,374	0.89	499	11,117	0.82	293	744	1.92	46	5,513	0.91	161
Filon 67 o/p	34	2.80	3	31	2.66	3	-	-	-	3	4.45	0
Fobiri o/p	572	1.69	31	504	1.65	27	68	1.91	4	1	5.45	0
Siou u/g	5,233	3.97	669	-	-	-	-	-	-	5,233	3.97	669
Yama o/p	807	2.07	54	216	1.92	13	102	1.97	6	488	2.15	34
Stockpile	136	2.78	12	-	-	-	-	-	-	136	2.78	12
Subtotal	**45,230**	**2.07**	**3,009**	**11,907**	**0.88**	**339**	**1,031**	**1.97**	**65**	**32,292**	**2.51**	**2,605**
Inferred												
Wona-Kona o/p	23	1.33	1	-	-	-	0	0.74	0	23	1.33	1

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Wona-Kona u/g	5,883	2.39	452	-	-	-	-	-	-	5,883	2.39	452
Fofina o/p	0	3.10	0	0	3.10	0	-	-	-	-	-	-
Yaho o/p	223	0.78	6	219	0.78	5	-	-	-	4	0.61	0
Filon 67 o/p	0	2.75	0	0	1.45	0	-	-	-	0	3.85	0
Fobiri o/p	564	1.36	25	539	1.35	23	25	1.62	1	0	3.80	0
Maoula o/p	2,620	1.62	137	2,519	1.62	131	92	1.74	5	8	2.12	1
Siou u/g	810	2.96	77	-	-	-	-	-	-	810	2.96	77
Yama o/p	78	1.48	4	39	1.35	2	3	0.94	0	36	1.67	2
Subtotal	**10,202**	**2.14**	**701**	**3,317**	**1.52**	**162**	**120**	**1.70**	**7**	**6,764**	**2.45**	**532**
Mineral Resources												
Wona-Kona o/p	7,852	2.51	633	8	1.02	0	75	1.80	4	7,769	2.52	628
Wona-Kona u/g	18,990	2.53	1,542	-	-	-	-	-	-	18,990	2.53	1,542
Fofina o/p	139	4.19	19	31	2.84	3	42	3.22	4	66	5.47	12
Yaho o/p	17,597	0.89	505	11,336	0.82	298	744	1.92	46	5,517	0.91	161
Filon 67 o/p	34	2.80	3	31	2.66	3	-	-	-	3	4.43	0
Fobiri o/p	1,136	1.52	56	1,042	1.49	50	93	1.83	5	1	5.31	0
Maoula o/p	2,620	1.62	137	2,519	1.62	131	92	1.74	5	8	2.12	1
Siou u/g	6,043	3.84	746	-	-	-	-	-	-	6,043	3.84	746
Yama o/p	885	2.02	57	256	1.84	15	104	1.95	7	524	2.12	36
Stockpile	136	2.78	12	-	-	-	-	-	-	136	2.78	12
Total	**55,431**	**2.08**	**3,709**	**15,224**	**1.02**	**500**	**1,151**	**1.94**	**72**	**39,057**	**2.50**	**3,137**

8.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 8-8 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are: an overall reduction of 1.2Moz which compares with total mining depletion of 130kozAu. Mineral Resources were reported within an optimised shell assuming gold prices ranging from US$1,400/oz (2016, 2017 and 2018) to US$1,500/oz from (2019 and 2020). This net change should however be seen in the light of the significant changes at Wona-Kona (net reduction of 0.8Moz) and at the other deposits indicating a net reduction of 0.4Moz, all of which are a direct result of the revised geological modelling and revised optimisation parameters and design changes at the Wona-Kona deposit and the Siou, Nyafé and Fofina open pits.

Table 8-9 presents a total Mineral Resource comparison between historical reporting periods for Mana Gold Mine from 2016 through 2020 inclusive. The analysis focuses primarily on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. For the former and comparing a 2016 depletion adjusted 'estimate' of future Mineral Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resources have increased by some 4.0Mt at a grade of 0.49g/tAu. This appears to be a direct result of revised geological modelling interpretations and updated optimisation/design considerations for reporting Mineral Resources. With respect to Inferred Mineral Resources the estimates have on a cumulative basis reduced by some 2.8Mt, although it is recognised that some of this material may have been upgraded to Indicated Mineral Resources through the completion of infill drilling programmes.

Table 8-8: Mana Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Wona-Kona o/p	818	2.50	66	(1,156)	0.24	(78)	1,974	2.27	144
Nyafé o/p	-	-	-	(523)	(6.19)	(104)	523	6.19	104
Fofina o/p	121	4.27	17	(192)	(0.11)	(27)	313	4.38	44
Yaho o/p	5,738	0.91	169	-	-	-	5,738	0.91	169
Filon 67 o/p	26	2.71	2	(0)	(0.01)	(0)	26	2.72	2
Fobiri o/p	459	1.73	26	(9)	(0.07)	(2)	469	1.80	27
Siou o/p	-	-	-	(595)	(3.37)	(64)	595	3.37	64

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Siou u/g	3,419	4.22	464	1,173	0.74	213	2,246	3.48	251
Yama o/p	44	2.11	3	44	2.11	3	-	-	-
Stockpile	136	2.78	12	74	(1.14)	4	63	3.93	8
Subtotal	**10,764**	**2.19**	**758**	**(1,183)**	**0.07**	**(55)**	**11,947**	**2.12**	**814**
Indicated									
Wona-Kona o/p	7,010	2.51	566	(23,517)	(0.04)	(1,937)	30,527	2.55	2,503
Wona-Kona u/g	13,106	2.59	1,090	13,106	2.59	1,090	-	-	-
Nyafé o/p	-	-	-	(228)	(5.93)	(43)	228	5.93	43
Fofina o/p	18	3.72	2	(237)	(0.73)	(34)	255	4.45	36
Yaho o/p	11,636	0.88	331	-	-	-	11,636	0.88	331
Filon 67 o/p	8	3.13	1	(1)	(0.46)	(0)	9	3.59	1
Fobiri o/p	113	1.52	6	(1)	(0.00)	(0)	114	1.52	6
Siou o/p	-	-	-	(225)	(1.59)	(11)	225	1.59	11
Siou u/g	1,813	3.50	204	(351)	(1.62)	(153)	2,165	5.13	357
Yama o/p	762	2.07	51	83	0.12	8	679	1.95	42
Subtotal	**34,466**	**2.03**	**2,250**	**(11,371)**	**(0.23)**	**(1,081)**	**45,837**	**2.26**	**3,331**
Measured + Indicated									
Wona-Kona o/p	7,829	2.51	632	(24,672)	(0.02)	(2,015)	32,501	2.53	2,647
Wona-Kona u/g	13,106	2.59	1,090	13,106	2.59	1,090	-	-	-
Nyafé o/p	-	-	-	(751)	(6.11)	(148)	751	6.11	148
Fofina o/p	139	4.20	19	(429)	(0.21)	(62)	568	4.41	81
Yaho o/p	17,374	0.89	499	-	-	-	17,374	0.89	499
Filon 67 o/p	34	2.80	3	(1)	(0.13)	(0)	35	2.94	3
Fobiri o/p	572	1.69	31	(11)	(0.06)	(2)	583	1.74	33
Siou o/p	-	-	-	(820)	(2.88)	(76)	820	2.88	76
Siou u/g	5,233	3.97	669	822	(0.32)	60	4,411	4.29	608
Yama o/p	807	2.07	54	128	0.12	11	679	1.95	42
Stockpile	136	2.78	12	74	(1.14)	4	63	3.93	8
Subtotal	**45,230**	**2.07**	**3,009**	**(12,554)**	**(0.16)**	**(1,136)**	**57,784**	**2.23**	**4,145**
Inferred									
Wona-Kona o/p	23	1.33	1	(3,354)	(1.67)	(324)	3,377	3.00	325
Wona-Kona u/g	5,883	2.39	452	5,883	2.39	452	-	-	-
Nyafé o/p	-	-	-	(151)	(5.86)	(28)	151	5.86	28
Fofina o/p	0	3.10	0	(67)	(1.10)	(9)	67	4.20	9
Yaho o/p	223	0.78	6	-	-	-	223	0.78	6
Filon 67 o/p	0	2.75	0	(5)	(3.56)	(1)	6	6.32	1
Fobiri o/p	564	1.36	25	(14)	(0.03)	(1)	578	1.39	26
Maoula o/p	2,620	1.62	137	(8)	0.00	(0)	2,628	1.62	137
Siou u/g	810	2.96	77	(1,047)	(0.91)	(154)	1,857	3.87	231
Yama o/p	78	1.48	4	20	0.15	1	58	1.33	2
Subtotal	**10,202**	**2.14**	**701**	**1,258**	**(0.53)**	**(65)**	**8,944**	**2.66**	**766**
Mineral Resources									
Wona-Kona o/p	7,852	2.51	633	(28,026)	(0.07)	(2,339)	35,878	2.58	2,972
Wona-Kona u/g	18,990	2.53	1,542	18,990	2.53	1,542	-	-	-
Nyafé o/p	-	-	-	(901)	(6.07)	(176)	901	6.07	176
Fofina o/p	139	4.19	19	(496)	(0.20)	(71)	635	4.39	90
Yaho o/p	17,597	0.89	505	-	-	-	17,597	0.89	505
Filon 67 o/p	34	2.80	3	(7)	(0.60)	(1)	40	3.40	4
Fobiri o/p	1,136	1.52	56	(25)	(0.04)	(3)	1,161	1.57	58
Maoula o/p	2,620	1.62	137	(8)	0.00	(0)	2,628	1.62	137
Siou o/p	-	-	-	(820)	(2.88)	(76)	820	2.88	76
Siou u/g	6,043	3.84	746	(225)	(0.33)	(93)	6,268	4.16	839
Yama o/p	885	2.02	57	148	0.12	12	737	1.90	45
Stockpile	136	2.78	12	74	(1.14)	4	63	3.93	8
Total	**55,431**	**2.08**	**3,709**	**(11,296)**	**(0.21)**	**(1,202)**	**66,728**	**2.29**	**4,911**

Table 8-9: Mana Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	63,673	2.21	4,517	3,319	2.21	235
2017	61,754	2.22	4,407	2,868	2.22	205
2018	59,454	2.21	4,217	2,524	2.21	179
2019	66,728	2.29	4,911	1,659	2.29	122
2020	55,431	2.08	3,709	1,942	2.08	130
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	60,354	2.21	4,281	3,319	2.21	235
2017	57,486	2.22	4,077	4,268	2.41	330
2018	54,962	2.21	3,898	4,492	2.21	320
2019	53,303	2.29	3,776	13,425	2.63	1,135
2020	51,361	2.08	3,646	4,071	0.49	64
Period	**Reported**			**Variance to 2016**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	13,022	2.95	1,234	-	-	-
2017	9,270	2.68	799	(3,752)	(0.27)	(435)
2018	9,028	2.66	772	(3,994)	(0.29)	(462)
2019	8,944	2.66	766	(4,078)	(0.28)	(468)
2020	10,202	2.14	701	(2,820)	(0.81)	(533)

8.3.7 Reconciliation

Reconciliation practices at Mana Gold Mine have in part (only for 2020 data) transitioned to reflect practices specified in accordance with the Group Standard for the reconciliation of

produced grade and tonnage. This outlines a process for the systematic collection, recording and analysis of mine production data relating to the exploration models, grade-control models, mining and metallurgical accounting statistics. The key statistical measures include the following metrics:

- Mineral Resource Model Factor ("**MRMF**") which compares ratio of the sum of plant accounted and stockpile changes to the Mineral Resource Model ("**MRM**") blocked to the selective mining unit ("**SMU**") and reported on an in-situ basis;
- Grade Control Model Factor ("**GCMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Grade Control Model ("**GCM**") blocked to the SMU and reported on an in-situ basis;
- Ore Reserve Model Factor ("**ORMF**") which compares the ratio of the sum of plant accounted and stockpile changes to the Ore Reserve Model ("**ORM**") reported on a diluted/re-blocked model basis;
- Mine Design to Mineral Resource Model Factor ("**MDMRMF**") which compares the mine design model (short term plan) survey results to the MRM blocked to the SMU and reported on an in-situ basis; and
- The Plant Received to Delivered to Plant ("**PR-DP**") is a measure of the estimated feed tonnage and grade in comparison to that measured in the Plant with measurements based on belt weightometer to mills and leach feed grade. The actual determination includes Plant Received less Delivered to Plant divided by Delivered to Plant.

The open pit deposits at Mana Gold Mine includes sampling of grade control drilling ahead of the mining front, aimed at assisting the short to medium term mine planning process. Grade control drilling is carried out by a drilling contractor and the samples are tested at an onsite laboratory. Around 5% of the mineralised material declared by site laboratory are tested at the external ALS lab. Grade Control is based on 152mm diameter RC drilling on a pattern of 12.5m by 10m. The holes are angled between 42° and 60° from both hanging and footwall (sub vertical ore body) sides of the ore zones to provide a good intersection with the mineralised structures and provides for a 10m horizontal and 1.0m vertical sampling interval.

Multiple reconciliation measures are calculated each month in order that the relationship between various stages in the model to mine to mill chain can be better understood. Principally the mining allocated (or declared ore mined) measure is calculated from the plant accounted tonnes and metal plus the change in stockpiles, which can then be compared to the depletion of the Mineral Resource and grade control models. The resultant factors indicate the net change or relative ore loss and dilution from infill grade control drilling, ore perimeter design, and mining process inclusive of blast movement. These factors can be used to modify the factors applied in short term and long-term planning processes.

Figure 8-6 presents the diagrammatic representation of the reconciliation analysis for all deposits at Mana Gold Mine mined for a 12-month period ending 31 December 2020. Detailed analysis by deposit indicates significant variability, however it should be noted that in respect of the Mana CIL Plant, the process feed comprises multiple feed sources which are co-processed and therefore all metallurgical accounting statistics are back allocated based on assumed contributions from stockpile reclamation and direct feed from the mining operations. Accordingly, as campaign processing of individual sources is not practiced it is extremely difficult to ascertain confidence in the detailed resolution at a deposit level. This aside, SRK notes that for 2013 through 2020 the tonnage factors as determined for the above on a total production level ranges comparing the resource model and the declared ore mined indicates a

factor of 1.16 for tonnage and a factor of 0.97 for contained metal (Table 8-10). For the period 2018 through 2020 and assuming similar analysis to that reported for the Group standard the tonnage and contained gold factors report 1.08 and 1.05 respectively (Table 8-11). For the 12- month period ended 31 December 2020 and assuming the current group standard the tonnage and contained gold factors report 0.98 and 0.96 respectively (Table 8-12). Overall, the reconciliation process indicates reasonable comparison with the geological model and actual mining performance.

Figure 8-6: Mana Gold Mine: all deposits reconciliation analysis (24-month period ending 31 December 2020)

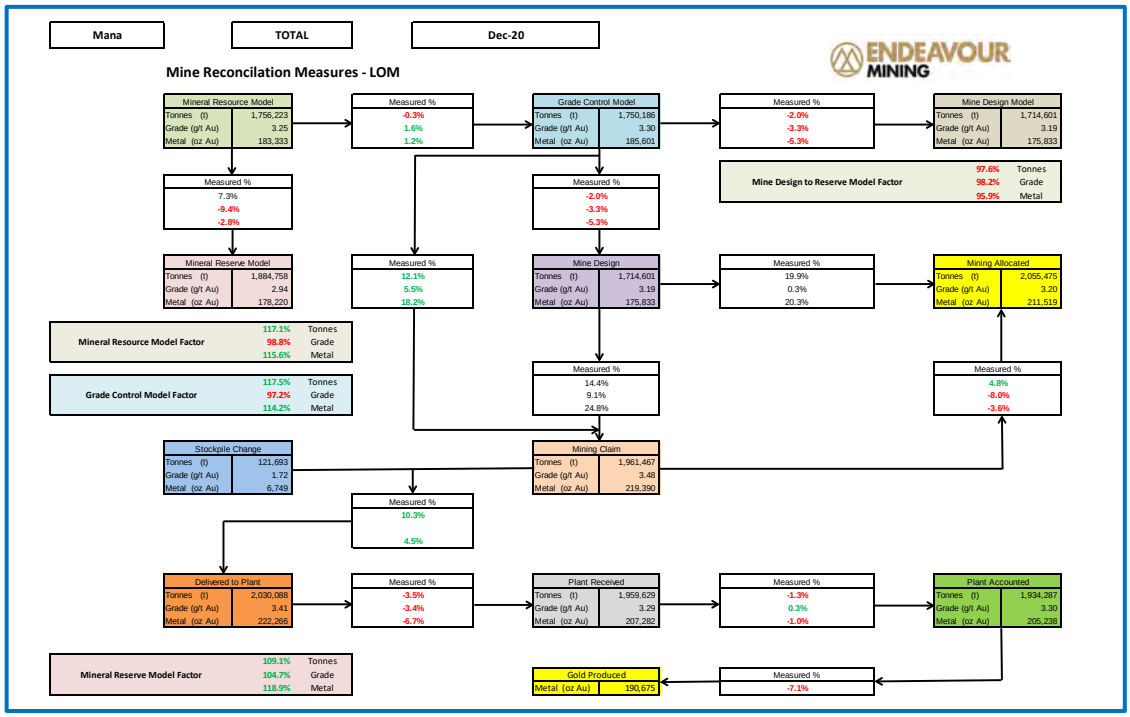


Table 8-10: Mana Gold Mine: resource model to grade control to declared ore mined reconciliation

Period	Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
2013-2020	Mineral Resource Model	14,264	3.54	1,623
	Mine Design Model	14,221	3.46	1,581
	Mining Claimed	15,469	2.97	1,478
	Mining Actual	16,573	2.95	1,571
2013-2020	MRM/MRM	1.00	1.00	1.00
	MDM/MRM	1.00	0.98	0.97
	MC/MRM	1.08	0.84	0.91
	MA/MRM	1.16	0.83	0.97

Table 8-11: Mana Gold Mine: reconciliation analysis

Period	Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
2018	MRM	1,999	3.07	198
	GCM	1,928	3.10	192
	Mining Claim	1,930	2.88	179
	Mining Allocated	2,110	2.64	179
	Milled	2,144	2.79	193
2019	MRM	1,164	3.23	121
	GCM	1,161	3.22	120
	Mining Claim	1,171	2.90	109
	Mining Allocated	1,338	2.79	120
	Milled	1,367	2.82	124
2020	MRM	1,885	2.94	178
	GCM	1,750	3.30	186
	Mining Claim	1,961	3.48	219
	Mining Allocated	2,055	3.20	212
	Milled	1,960	3.29	207
Total	MRM	5,048	3.06	497
	GCM	4,839	3.20	498
	Mining Claim	5,062	3.12	507
	Mining Allocated	5,503	2.89	511
	Milled	5,471	2.98	524

Period	Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
	MRM	1.00	1.00	1.00
	GCM	0.96	1.05	1.00
Total (Factors)	Mining Claim	1.00	1.02	1.02
	Mining Allocated	1.09	0.94	1.03
	Milled	1.08	0.97	1.05

Table 8-12: Mana Gold Mine: reconciliation analysis by deposit (2020)

Measure	Total			SIO o/p			Siou u/g			Wona o/p		
	Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
MRM	1.17	0.99	1.16	1.55	0.66	1.02	1.02	1.35	1.37	1.15	0.91	1.04
GCM	1.17	0.97	1.14	1.55	0.66	1.03	1.02	1.29	1.31	1.15	0.91	1.04
MRM	1.09	1.05	1.19	1.38	0.86	1.04	0.97	1.23	1.42	1.07	1.00	1.07
MDM-MRMF	0.98	0.98	0.96	1.05	0.88	0.92	0.91	1.07	0.97	1.00	0.97	0.97
PR-DP	(0.03)	(0.03)	(0.07)	(0.02)	(0.12)	(0.14)	(0.04)	0.01	(0.03)	(0.04)	(0.02)	(0.06)

8.3.8 Exploration Potential

Exploration Potential at Mana Gold Mine is largely focused on targets identified within the Mana Licence and the surrounding exploration permits which extend over 77km^2 and 1,230km^2 respectively.

During 2020 the Group invested a total of US$3m following the integration of Mana Gold Mine and during the full year, a total of 28,500m were drilled to follow up on resource expansion and targets identified by geological review. Drilling focused on the Kona open pit to evaluate the northeast extension of the Wona-Kona Shear, the northeast extension of the Siou and Zone 9 shears. Further drilling was completed on the Bana permit to test geologic models for mineralisation at the Kana and Kokoi West targets. Infill drilling at the southern end of the Siou underground was focused on the Inferred material.

The 2021 exploration programme assumes a further investment of US$8.0m comprised of 44,000m of drilling, to focus on mine lease targets including Kona, Siou and Maoula and proximal mine lease targets including Fofina Sud.

8.4 Mining and Ore Reserves

Mining operations at Mana Gold Mine currently consists of an open pit operation located at Wona and is adjacent to the primary infrastructure site for the processing plant (200ktpm nameplate capacity), accommodation, workshops and administrative buildings. Located some 15km to the east is the Siou underground operation (long-hole transverse stoping with cemented backfill) that has recently reached steady state ore production of 850ktpa. Based on the current Ore Reserves, the Siou underground operation is planned to ramp down production in 2025 with end of production planned in 2026. The Wona open pit operation (1.5Mtpa) concentrates its remaining two years of production from a Phase 2 and final Phase 3 pushback in the Wona South pit. Production from the Wona North pit and the Kona pit has effectively ceased.

Following review of the geotechnical and other parameters for the Wona North Phase 4 pit, the Group decided to change the strategy to mine this as an underground Reserve which will utilise a method similar to Siou. Infrastructure development will commence in late 2021 to enable production to commence ahead of the completion of the Wona South pit.

Open Pit Mining

Total open pit mined material has historically achieved a maximum of 41Mt (2017) which has generally declined to the current 25Mtpa reported in 2020. Mining to date has historically been focused at the Wona and Siou open pits, complement by some small satellite pits. The Siou open pit was depleted in 2020 and future mining production is largely focused on the southern section of the Wona open pit which is planned to cease operations on depletion of the current Ore Reserves in 2022.

Mining is by way of conventional open pit mining techniques using drill and blast as required with material movement by hydraulic excavators (120t to 150t) and trucks (60t to 90t). Loading, hauling and pit floor road and dump maintenance is carried out by a combination of owner mining personnel and equipment and contractor. Production drilling and blasting is carried out on 10m benches, also utilising a combination of owner and contractor personnel and equipment. Loading activities are carried out in four flitches each measuring 2.5m. The highly weathered zone of oxide (clays and saprolite) and transitional zone with a density below 2.0t/m^3 are amenable to free digging. Emulsion is used in both wet and dry blasting for efficiency.

The current stages of the open pit mining require waste stripping (Stage 3) for approximately six months, to remove 6Mt of waste before reaching ore. During this waste stripping, ore supply to the plant will be from the underground mining at Siou and the open pit mining of Wona South (Stage 2).

The current LoMp assumes mining of a total of 25.7Mt of material comprising 23.3Mt of waste and 2.5Mt of ore grading 1.91g/tAu indicating an overall stripping ratio of 9.2 t_{waste}:t_{ore}. The mining rate is planned at 21Mtpa in 2021 reducing to 4.8Mtpa in 2022. Unit mining costs per tonne for the open pit operation are assumed at US$3.48/$t_{mined}$.

Underground Mining - Siou

The adopted mining method at Siou underground (Figure 8-7) mine is transverse open stoping method which was selected due to the inclination of mineralised lenses and varying widths associated with wide stockwork ore zones. These stopes are mined in a primary and secondary sequence whereby each of the primary stopes on a level are excavated prior to mining each secondary stope which is located between the primary stopes. Longitudinal sublevel retreat is used where the orebody is less than 15m wide and generally on the northern or southern end of the orebody.

Cemented Rock Fill ("**CRF**") is used to ensure safe ore recovery from the secondary transverse stopes. Waste rock backfill will be used in secondary stopes in all levels other than sill levels (5,070 and 4,995). Large sill pillars have been left in the first horizon under 5,070 level and are planned for the second horizon under 4,995 level. These will be extracted late in the mining sequence and enable 'bottom-up' mining to occur from firstly the 5,070 level, then the same sequence to be repeated from the 4,995 level.

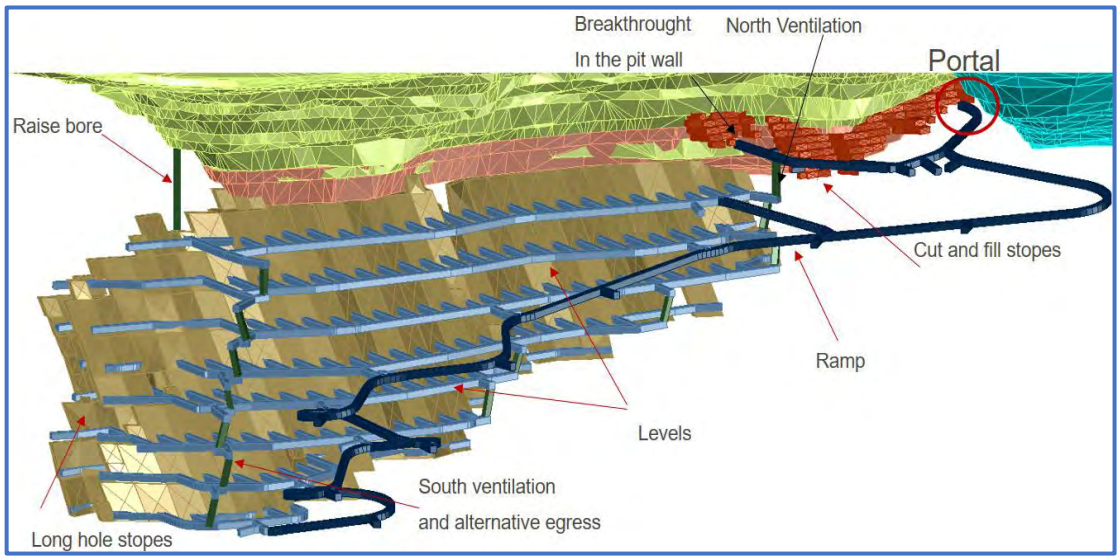
Production ramp up to 2,000t/d using AUMS as the contract miner was achieved in February 2020 and in the same year, 7.7km of lateral and 0.6km of vertical development was completed as well as 10km of grade control diamond drilling. Historical production in 2020 reported 714kt of ore grading 4.52g/tAu with over 8.1km of stope production drilling completed and 251kt of cemented backfill placed.

Access to the underground operations is from a portal located in the northern section of the Siou open pit which enabled the southern portion of the open pit to operate uninterrupted through to completion. The overall footprint of the underground mining operation will extend over a strike length of 600m with an accompanying depth of 200m from the base of the open pit. Development dimensions comprise: primary capital development at 5.5m by 5.5m; stope access and ore drives at 5.0m by 5.0m; vertical ventilation raises at 4.0m by 4.0m; and vertical emergency egress raise at 1.2m by 1.2m. Production stope dimensions are noted at 25m high, 20m on strike and extending over the thickness of the mineralised zones (20m to 30m wide).

The total capital investment inclusive of direct and indirect expenditures and associated contingencies to establish the Siou underground operation was of the order of US$52m with a further US$17m allocated as sustaining capital development.

The current LoMp assumes mining of a total of 4.4Mt of which the ore component is estimated at 3.9Mt grading 4.06g/tAu for total contained metal of 514koz. The ore mining rate is scheduled to increase to 826kt in 2021 thereafter increasing to a maximum of 920kt in 2023 and reducing to 848kt in 2024 prior to depletion of the current Ore Reserves in 2025. Unit operating costs for the current LoMp are assumed at a weighted average per tonne of ore of US$68/t.

Figure 8-7: Mana Gold Mine: 3-D view of the Siou underground mine



Underground Mining - Wona

Following reassessment of the ore at depth and unfavourable open pit pushbacks to deepen the current open pit mining operation at Wona (South, North and Kona pits), a pre-feasibility of an underground mining operation to extract ore at depth beneath the Wona open pit (North and South pits) was investigated as part the Wona 2021 PFS. A replacement strategy of 1.5Mtpa was target for ore supply from three possible decline areas.

Ore mining is planned at a maximum rate of 4,000tpd of ore over a period of 8 years from 2022 through 2029 with production increasing from 0.6Mtpa in 2023 to 1.6Mtpa by 2026. Ore tonnage is planned from longitudinal and transverse stoping methods combined with development ore headings. A two-year ramp-up is required to develop the necessary primary access infrastructure to a position three sub-levels beneath the Wona North open pit in order to start the '*bottom-up*' blast-hole retreat and fill mining method. The target extraction area ("**TEA**") is located within the thicker economic zone directly beneath the Wona North open pit. The north and central declines are linked to surface via the single north portal and production from these two declines is planned at 700ktpa. The south decline is planned to start circa mid-2023 and its timing is based on the complete replacement of depleted Wona South pit Ore Reserves ramping up to a maximum extraction rate of 900ktpa over 3 years.

Primary access to the underground workings will be via two dedicated trackless decline ramps (Figure 8-8) developed from surface using a conventional mechanized twin-boom jumbo drilling rig. Following the excavation of portals in the Wona open pit, the trackless decline ramp will be developed with dimensions of 5.5m-wide by 5.5m-high (arch 1.5m radius) at a maximum gradient of 14% (1:7) with a minimum radius of curvature of 25m for efficient haulage.

The trackless decline ramps have been positioned to minimize development required to access the high-grade stoping initially and provide shortest distances to centre of mass of each of the major stoping areas. A main ramp will be developed northwards outside the possible area of influence in the central area and will split into two ramps (central and north) being developed in

the north and central direction to cover the north and central zones respectively. The general orientation and direction of the ramp systems approximately follow the centre of mass of mining on each sub-level. A completely independent ramp system will be driven in the south to access the deposit in the southern zone.

Three main exhaust ventilation raises of 5m diameter will be connected from surface on the foot-wall side of the Wona pit to various levels of the mine. A single exhaust raise will be developed to intersect a widened in-pit berm for the south decline. Two exhaust ventilation raises will be developed for the north and central declines (one in close proximity to the north portal entrance and one in the extreme north).

A single intake ventilation raise will be for fresh air and safety escapeway in the south decline area and a single intake adit developed in the central zone in close proximity to the north portal entrance. Each Level will be connected to the ventilation raises. Main exhaust ventilation fans will be installed on surface at the North, Central and South Return Air Raise and underground for the South Return Air Raise and will be of a pull (negative pressure) configuration.

Mine development and production will be undertaken by a combination of short and long-hole electro-hydraulic drilling rigs, 17t diesel powered loaders (including some with remote loading capability), and 60t underground haulage trucks.

Two underground mining methods will be used at Wona underground; longitudinal retreat and transversal mining, both with backfill based on the geotechnical recommendation as presented in the 2011 Golder Associates Geotechnical Study. General stoping dimensions were based on the geotechnical recommendations with 25m sub-level intervals and 15m panel lengths. Longitudinal retreat stopes are planned in areas that are 3.5m (minimum mining with) to 15m wide and transversal retreat with primary CRF and secondary rock-fill areas where the economic width is greater than 15m. These mining methods are considered acceptable on the basis of the orebody geometry and characteristics (steep inclination, medium width and weaker hanging-wall rock mass properties). It should be noted that due to the low-grade nature of the deposit, investigations into non-critical fill methods may be investigated (for instance top-down long-hole open stoping on retreat with waste rock only backfilling).

CRF will be placed in the primary transverse stopes using a cement slurry mixed by the underground loader with development waste and open pit waste brought underground via the returning haul trucks. A cement content of 6% by weight is used for the sill pillar stopes and specific applications, with 4% for all other primary stopes. Secondary transversal stopes as well as longitudinal stopes will use development and open pit WRD waste without any cement binders to fill the stope voids.

An extraction ratio of 50% (equivalent to 12.5m pillar will be left below the pit bottom during Phase I. A permanent crown pillar of equivalent 12.5m thickness above the North Area will be left at the saprock and bedrock interface. Levels 5065 in the South Area and 5090 in the Central Area will be entirely backfilled with CRF as mining will take place below these levels. Subsequent work is recommended to investigate the effectiveness of the crown pillar from both a geotechnical and hydrological perspective as the stability could present a material risk to inundation of water from heavy rainfall events.

An extraction ratio of 80% is assumed at this stage for sub-levels immediately below the “starter” sub-levels. This will be divided into panels of groups of, typically and where possible four (4) sub-levels to form a ‘*bottom-up*’ mining sequence for each panel.

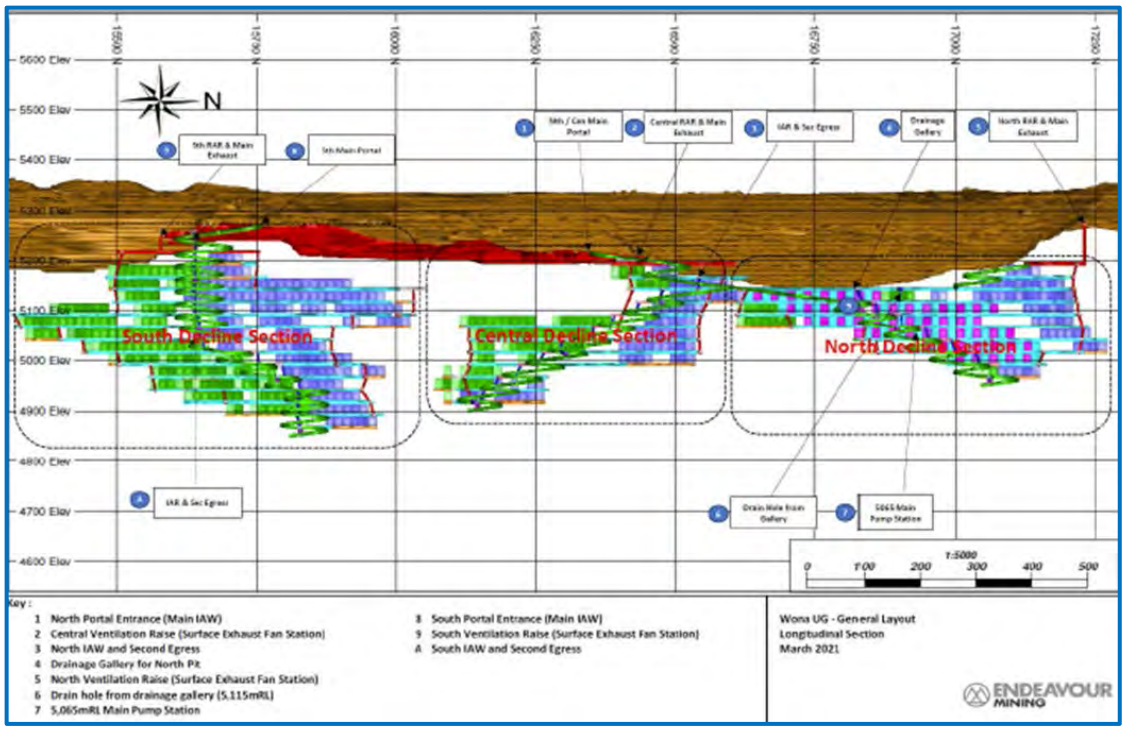
The current LoMp assumes mining of a total of 10.2Mt of which the ore component is estimated at 7.6Mt grading 3.00g/tAu for total contained metal of 737koz. The ore mining rate is scheduled to increase to 628kt in 2023 thereafter increasing to a maximum of 1.6Mt in 2026 which is

maintained through to the penultimate year of operations prior to depletion of the current Ore Reserves in 2029. Unit operating costs for the current LoMp are assumed at a weighted average of US$43/$t_{ore}$ for total operating expenditures of US$326.1m. Total expenditures (inclusive of capitalised costs) relating to the current LoMp are estimated at US$520.5m which provides for a total unit rate per tonne milled of US$68/t.

Underground mining operations are assumed to be contracted out with mine general services provided by the owner and a fixed contractor overhead determined to account for administration and facilities that the contactor supplies to manage its operations. The current capitalised costs are estimated at US$194.4m which includes a contingency of 10%.

Stand-alone economic analysis as reported in the current Wona 2021 PFS indicates that at a long-term Ore Reserve gold price of US$1,300/oz the project is marginal returning an internal rate of return of 6% and a marginally positive net present value. At an assumed long-term gold price of US$1,500/oz the economic analysis returns a net present value of US$69m and an internal rate of 25%. Accordingly, further technical work is required to advance the technical studies completed to date to feasibility study level and to assess the impact of upgrading the current Inferred Mineral Resources to the Indicated Mineral Resource Category to extend mine life and improve the current economic viability of the project.

Figure 8-8: Mana Gold Mine: Long section of the Wona underground mine design



8.4.2 Historical Performance

Analysis of historical production (Table 8-13) to date indicates that mining operations reflect open pit operations from 2015 through 2018 with contributions from underground mining at Siou contributing in 2019 and 2020. Total material moved at the open pit operations have increased, peaking at 41Mt in 2017 and now reducing to 25Mt in 2020. Ore mining at the open pits have generally declined from 2015 and are reported at 1.5Mt in 2020. The accompanying stripping ratios at the open pit are very high averaging 16.4t_{waste}:t_{ore} since 2015. Open pit ore grades have generally declined since 2015 from 3.57g/tAu to 2.69g/tAu reported in 2020. Open pit operating expenditures per tonne mined have averaged US$3.16/$t_{mined}$ and for 2020 reported

US$2.37/$t_{mined}$.

Open pit mining is dependent on addressing HME availability and implementation of the PCR overhaul schedule. Furthermore, historical challenges relating to pit wall instability have also impacted production and a programme is in place to acquire radar and other monitoring equipment in addition to controlled blasting as recommended by recent independent geotechnical reviews. Continued attainment of the planned open pit mining grade is conditional on the successful outcome of continued infill drilling programmes, detailed grade control plans and blast monitoring techniques to minimize ore loss and dilution.

Mining at the Siou underground mine commenced in 2019 and to date has resulted in total ore mined of 813kt grading 4.53g/tAu for total contained metal of 118kozAu. In 2020 total development metres reported at 8.1km (88t_{ore}/m_{dev}) of which 3.0km is capitalised and the balance reporting to operating expenditure. Underground mining expenditures are reported at US$59/$t_{ore}$ mined. Stope hanging wall instability is a potential issue at the underground operations and the Group is investigating the implementation of additional ground control support mitigation plans which are presently under development.

Table 8-13: Mana Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	204,462	36,608	37,199	40,978	35,756	29,420	24,501
Waste	(kt)	192,678	34,217	35,023	38,710	33,646	28,082	23,000
Ore	(kt)	11,784	2,391	2,176	2,268	2,110	1,338	1,502
	(g/tAu)	3.02	3.57	3.37	2.81	2.64	2.84	2.69
	(koz)	1,145	274	235	205	179	122	130
Stripping Ratio	(t_{waste}:t_{ore})	16.4	14.3	16.1	17.1	15.9	21.0	15.3
Ore	(kt)	813	-	-	-	-	100	714
	(g/tAu)	4.53	-	-	-	-	4.60	4.52
	(koz)	118	-	-	-	-	15	104
Development	(m)	8,126	-	-	-	-	-	8,126
- opex	(m)	4,983	-	-	-	-	-	4,983
- capex	(m)	3,143	-	-	-	-	-	3,143
Backfill	(kt)	251	-	-	-	-	-	251
	(t_{ore}/m_{dev})	100	-	-	-	-	-	88
Opex								
Mining o/p	(US$m)	646.66	115.6	119.1	123.6	132.7	97.8	58.0
Mining u/g	(US$m)	42.15	-	-	-	-	-	42.1
Total	**(US$m)**	**688.80**	**115.57**	**119.05**	**123.58**	**132.65**	**97.76**	**100.19**
Mining o/p	(US$/t)	3.16	3.16	3.20	3.02	3.71	3.32	2.37
Mining u/g	(US$/t)	52	-	-	-	-	-	59
Total	**(US$/t)**	**3.37**	**3.16**	**3.20**	**3.02**	**3.71**	**3.32**	**4.09**

8.4.3 Mine Design, Planning and Scheduling

At the Wona open pit all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 5.0m (Z) dimensions. Mining losses are assumed at 2.5% (Table 8-14), and dilution is assumed at 10%.

For the Siou and Wona underground operations mining losses applied to diluted ore are 5% of mined tonnages and dilution is estimated at 9.0% for Siou underground operation and 25.0% for Wona underground operations. The assumed metallurgical recoveries incorporated into the cut-off grade assumptions and LoMp schedules are reported in Table 8-15. The unit cost assumptions incorporated into the analysis for marginal and full cost determinations are reported in Table 8-16 and the resulting cut off grades assuming a long term gold price of US$1,300/oz, a refining charge of US$5.50/oz and a royalty of 6.00% (5.0% GoBF royalty and 1.0% SDF) result in the cut-off grades reported in Table 8-17.

At the Siou underground all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 5.0m (Z) and all MSO assumptions comprised:

- A long-term gold price of US$1,300/oz;
- Stope designs which considered only Measured and Indicated Mineral Resources; and
- Stope length of 20m, minimum width of 2.5m.

At the Wona underground all block resource models are regularised to ensure a minimum SMU

size of 5.0m (X), 5.0m (Y) and 5.0m (Z) dimensions. For underground mining at Wona, an estimated fully diluted cut-off grade of 2.25g/tAu for both the longitudinal and transversal stoping was applied to the Mineable Stope Optimizer ("**MSO**") to delineate and select economic mining stopes. The key parameters used in this assessment included:

- A long-term gold price of US$1,300/oz;
- Stope designs which considered only Measured and Indicated Mineral Resources;
- For longitudinal stoping the key parameters employed comprised: sublevel blast hole retreat mining method; 100% post stoping CRF; strike length (15m); level height (25m); slice interval (4); stope width (ore excluding skin) of 2m; stope dilution 1m; minimum mining widths of 3.5m or 4.0m; minimum pillar dimension of 10m; and
- For transverse stoping the key parameters employed comprised: sublevel blast hole retreat mining method; 50% post stoping CRF; strike length (15m); level height (25m); slice interval (4); stope width (ore excluding skin) of 2m; stope dilution 1m; minimum mining widths of 3.5m or 4.0m; minimum pillar dimension of 10m.

In addition to the above the following design assumptions were incorporated:

- A minimum waste pillar of 10m is kept between lenses. An external footwall dilution of 0.5m was added and a hanging-wall dilution of 1m or 2m was also added for both longitudinal and transversal stoping for geotechnical zones not containing Graphitic Shears zone and those areas that to contain Graphitic Shear zones in close proximity to the hanging-wall respectively; and
- Several lenses may be mined independently only if there is a minimum 10m waste pillar between them. If there is insufficient pillar material, they are either combined in a single stope or only the economic portion is mined.

Table 8-14: Mana Gold Mine: assumed modifying factors

Deposit	Diluted Ore Loss			In-Situ Dilution			Metallurgical Recovery		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Wona South	2.5	2.5	2.5	10.0	10.0	10.0	84.00	84.00	84.00
Siou u/g	-	5.0	5.0	-	9.0	9.0	-	-	97.00
Wona u/g	-	5.0	5.0	22.0	26.0	25.0	-	-	81.00

(1) Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 8-15: Mana Gold Mine: assumed metallurgical recoveries

Deposit	Oxide High Cu (%)	Transition Low Cu (%)	Fresh High Cu (%)	Recovery Oxide (%)	Recovery Trn (%)	Recovery Fresh (%)
Wona South	84.00	84.00	84.00	84.00	84.00	84.03
Siou u/g	-	-	97.00	-	-	96.00
Wona u/g	-	-	81.00	-	-	81.00

Table 8-16: Mana Gold Mine: assumed operating cost inputs (cut-off-grade)

Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Wona South	2.67	13.09	22.97	26.46	6.67	19.76	29.64	33.13	22.43	32.31	35.80
Siou UG	68.79	n/a	n/a	19.35	6.67	n/a	n/a	26.02	n/a	n/a	94.81
Wona UG	42.71	n/a	n/a	20.20	6.67	n/a	n/a	26.87	n/a	n/a	69.58

Table 8-17: Mana Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
Wona South	0.52	0.77	0.86
Siou UG	-	-	2.50
Wona UG	-	-	2.25

The open pit sink rates at Mana Gold Mine are within the limit guidance and given the limited operating life there are no further constraints applied to ensure final depletion of the Wona South open pit in 2023.

8.4.4 Mining Geotechnics and Hydrogeology

Open Pit operations

Two pit wall failures within the Wona pit (2018, and 2019), resulted in an external geotechnical review conducted by Golder Associates. This resulted in revised slope parameters for the various geotechnical domains which have subsequently been incorporated into the current pit designs.

The geotechnical studies completed by Golder included revisions for the batter angle, batter height, berm width and IRA for various geotechnical domains as recommended in July 2020. The Group Manager for Geotechnical Engineering reviewed the geotechnical rock mass domains, Golder analysis and design, and provided the updated geotechnical design criteria. Major geotechnical domains at Wona Pit have been defined based on weathering and rock strength, comprising saprolite, saprock and fresh rock. The fresh rock lithological units include volcaniclastic mafics, greywacke and graphitic shale.

The designed inter-ramp angles for the east wall of the Wona open pit range from a low of 25° for the wet transitional material to a high of 50° for the competent volcaniclastic and Greywacke rock mass. The resulting overall slope angles range from a low of 19° in the wet Saprolite/Transitional material to 43° in the stronger fresh material due to inclusion of Access Ramp and geotechnical decoupling berms.

The designed inter-ramp angles for the west wall of the Wona open pit range from a low of 31° in the saprolite/transition rock mass and 44° for the competent volcaniclastic and greywacke rock mass. The resulting overall angles range from a low of 22° in the weak (saprolite) material to 38° in the stronger fresh material due to inclusion of access ramp and geotechnical decoupling berms.

Underground operations - Siou

Golder Associates was also retained to undertake the geotechnical and hydrogeological analysis of the underground project at Siou underground mine, including stope dimension, ground support and pillar dimension. The rock is classified as Good to Very Good for the four geological units present at Siou. Mining occurs in a very tight bedrock complex which produces insignificant water inflows into the workings. These inflows are typically associated with isolated quartz veins in the hanging wall and pink granites. Observations indicate that pore pressures in stopes and drives are reduced passively. Under steady state conditions a total water inflow of 700m^3/d is estimated for the underground mine.

Underground operations - Wona

The geotechnical study for the Wona underground project was performed by Golder Associates Inc. (Golder) and reported on in 2011. The geotechnical site investigation was carried out through five drill-holes of total length of 1,742m. Logging of cores obtained from the drill-holes allowed structural characterization of different rock units at the Wona underground mine. This includes determination of number and orientation of joint sets, calculation of Rock Quality Designation ("**RQD**"), fracture frequency and joint spacing and characterization of joint surfaces for different rock units encountered during the geotechnical drilling program. In addition, core samples of different rock units were selected for laboratory strength testing. In all, 44 rock samples were strength tested.

Based on the geotechnical site investigations, laboratory strength testing, and assumptions concerning in-situ stresses and intact rock strength anisotropy, it is anticipated that to a depth of about 200m below surface the rock mass behaviour will be structurally controlled and minimum to no rock mass damage will occur due to the induced stresses. The structural

network will control the rock mass behaviour around the openings. Below this depth, rock mass damage should start to occur around the openings, intensifying as depth increases.

Empirical and numerical modelling analyses were undertaken using information drawn from this programme to develop mine designs with specific reference to stope dimensions, dilution, support and crown pillar stability.

However there remain uncertainties relating to the significant variability of the hangingwall rock mass quality and especially the need to identify the occurrence and thickness (which can be up to 15m) of graphitic shales. Until this knowledge is gained there will be uncertainties in effective stope dimensioning, stope support requirements, allowances for dilution and crown pillar design. For this reason, domaining of the various rock masses, in particular within the hangingwall is important. It is understood that structural information has since been gathered by means of drone and Sirovision / photogrammetry surveys which could provide a sound basis for the development of a geotechnical model. This could then be used to refine the MSO parameters utilised to support the current Won 2021 PFS outcomes.

Golder recognised the need to undertake further numerical modelling to assist with stope designs that will best manage dilution, strategy and sequencing and design of temporary and permanent crown pillars.

Golder was also retained to investigate the hydrogeology. While undertaking the geotechnical investigation, data was also obtained on the potential ground water inflow (Golder 2011). Under a steady state condition and at the end of the excavation, a total inflow of about 1,750m^3/d is estimated for the underground mine.

8.4.5 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Mana Gold Mine (Table 8-18) includes 14.2Mt grading 3.10g/tAu and containing 1.4MozAu and comprising:

- Proved Ore Reserves of 5.7Mt grading 3.18g/tAu and containing 578kozAu; and
- Probable Ore Reserves of 8.6Mt grading 3.05g/tAu and containing 839kozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 35kt grading 1.51g/tAu and combined transitional/fresh material of 14.2Mt grading 3.10g/tAu. Ore Reserves reporting to stockpiles comprise a total of 136kt grading 2.78g/tAu containing 12kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as “open-pit” and “underground” and reported within engineered designs as referenced herein.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz for the underground Ore Reserves and given the short operating life of the Wona open pit it is reported using a long-term gold price assumption of US$1,500/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with mining method, weathering type per deposit: open pit cut off grades vary between 0.50g/tAu to 0.90g/tAu; underground cut off grades are assumed at 2.50g/tAu and 2.25g/tAu for Siou and Wona underground operations respectively.

Given the limited life for the open pit operations and the limitations relating to process route, permitting delays, plant distance and other aspects there is limited upside sensitivity to the open

pit Ore Reserves and as such no further sensitivity analysis is presented herein. In respect of the underground operations the Mineral Resources are already reported within MSO shapes derived using a long-term gold price of US$1,500/oz and as such any upside sensitivity analysis is largely focused on the Inferred Mineral Resources which report in the 2020 Statements as underground Mineral Resources. Currently Inferred Mineral Resources reporting as economic using underground methods comprise: at Siou underground mine 6.0Mt grading 3.84g/tAu and containing 746kozAu; and at Wona underground mine 19.0Mt grading 2.53g/tAu and containing 1.5MozAu.

Table 8-18: Mana Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Wona-Kona o/p	2,341	1.86	140	-	-	-	33	1.54	2	2,308	1.87	139
Wona-Kona u/g	111	3.19	11	-	-	-	-	-	-	111	3.19	11
Siou u/g	3,075	4.19	414	-	-	-	-	-	-	3,075	4.19	414
Stockpile	136	2.78	12	-	-	-	-	-	-	136	2.78	12
Subtotal	**5,663**	**3.18**	**578**	**-**	**-**	**-**	**33**	**1.54**	**2**	**5,630**	**3.18**	**577**
Probable												
Wona-Kona o/p	185	2.48	15	-	-	-	2	1.00	0	183	2.50	15
Wona-Kona u/g	7,519	3.00	725	-	-	-	-	-	-	7,519	3.00	725
Siou u/g	858	3.60	99	-	-	-	-	-	-	858	3.60	99
Subtotal	**8,562**	**3.05**	**839**	**-**	**-**	**-**	**2**	**1.00**	**0**	**8,560**	**3.05**	**839**
Ore Reserves												
Wona-Kona o/p	2,526	1.91	155	-	-	-	35	1.51	2	2,491	1.91	153
Wona-Kona u/g	7,630	3.00	737	-	-	-	-	-	-	7,630	3.00	737
Siou u/g	3,933	4.06	514	-	-	-	-	-	-	3,933	4.06	514
Stockpile	136	2.78	12	-	-	-	-	-	-	136	2.78	12
Total	**14,225**	**3.10**	**1,418**	**-**	**-**	**-**	**35**	**1.51**	**2**	**14,190**	**3.10**	**1,416**

8.4.6 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements (prior to 2019) have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 8-19 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted are: an overall increase in gold content of 10koz which can be compared with total depletion of 234koz of gold from both open pit and underground operations reported on a combined basis. This is however net of some significant adjustments including reclassification of open-pittable Ore Reserves as underground Ore Reserves at the Wona-Kona deposits and also the Siou open pits; and write downs of Ore Reserves at the Nyafé and the Yama open pits. Ore Reserves were reported within designed shells assuming gold prices ranging from US$1,100/oz to US$1,300/oz for historical statements with the statements for 2020 reported assuming US$1,300/oz and US$1,500/oz.

Table 8-20 presents a total Ore Reserve comparison between historical reporting periods for Mana Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated additions of 5.0Mt despite depletion of 9.4Mt grading 2.69g/tAu for a total of 130kozAu. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Mana Gold Mine over the reporting period considered.

Table 8-19: Mana Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
Wona-Kona o/p	2,341	1.86	140	1,607	(0.50)	84	734	2.36	56
Wona-Kona u/g	111	3.19	11	111	3.19	11	-	-	-
Nyafé o/p	-	-	-	(265)	(5.82)	(50)	265	5.82	50
Fofina o/p	-	-	-	(24)	(5.18)	(4)	24	5.18	4
Siou o/p	-	-	-	(567)	(3.35)	(61)	567	3.35	61
Siou u/g	3,075	4.19	414	1,468	0.41	219	1,607	3.78	195
Stockpile	136	2.78	12	74	(1.14)	4	63	3.93	8
Subtotal	**5,663**	**3.18**	**578**	**2,403**	**(0.39)**	**205**	**3,260**	**3.56**	**374**
Probable									
Wona-Kona o/p	185	2.48	15	(9,369)	0.17	(695)	9,554	2.31	709
Wona-Kona u/g	7,519	3.00	725	7,519	3.00	725	-	-	-
Nyafé o/p	-	-	-	(6)	(3.63)	(1)	6	3.63	1
Fofina o/p	-	-	-	(3)	(3.11)	(0)	3	3.11	0
Siou o/p	-	-	-	(168)	(1.80)	(10)	168	1.80	10
Siou u/g	858	3.60	99	(543)	(2.54)	(177)	1,401	6.15	277
Yama o/p	-	-	-	(651)	(1.75)	(37)	651	1.75	37
Subtotal	**8,562**	**3.05**	**839**	**(3,221)**	**0.32**	**(194)**	**11,783**	**2.73**	**1,034**
Ore Reserves									
Wona-Kona o/p	2,526	1.91	155	(7,762)	(0.41)	(610)	10,288	2.31	765
Wona-Kona u/g	7,630	3.00	737	7,630	3.00	737	-	-	-
Nyafé o/p	-	-	-	(271)	(5.77)	(50)	271	5.77	50
Fofina o/p	-	-	-	(27)	(4.95)	(4)	27	4.95	4
Siou o/p	-	-	-	(735)	(2.99)	(71)	735	2.99	71
Siou u/g	3,933	4.06	514	925	(0.82)	42	3,008	4.88	472
Yama o/p	-	-	-	(651)	(1.75)	(37)	651	1.75	37
Stockpile	136	2.78	12	74	(1.14)	4	63	3.93	8
Total	**14,225**	**3.10**	**1,418**	**(817)**	**0.19**	**10**	**15,043**	**2.91**	**1,407**

Table 8-20: Mana Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	18,642	2.88	1,728	2,176	3.37	235
2017	18,231	2.92	1,710	2,268	2.81	205
2018	15,987	2.96	1,522	2,110	2.64	179
2019	15,043	2.91	1,407	1,338	2.84	122
2020	14,225	3.10	1,418	1,502	2.69	130
Period	**2016 - Less depletion**			**2016 Depleted Variance**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	16,466	2.82	1,492	2,176	0.06	235
2017	14,198	2.82	1,287	4,033	0.10	423
2018	12,089	2.85	1,108	3,899	0.11	414
2019	10,751	2.85	986	4,292	0.06	421
2020	9,249	2.88	856	4,976	0.22	561

8.4.7 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2022 mining of a total of 25.8Mt of material comprising 23.3Mt of waste and 2.5Mt of ore grading 1.91g/tAu indicating an overall stripping ratio of 9.2t_{waste}:t_{ore} (Table 8-21; Table 8-22). The mining rate is planned at 21Mtpa in 2021 reducing to 4.8Mtpa in 2022. Oxide material contributes some 13% of total material mined with transitional and fresh material collectively contributing 87%. Mining production in 2021 is projected from the Wona open pits (Figure 8-9) with Wona South open pit planned for depletion in 2022 (Table 8-23). Ore is sourced from the Wona South Phase 2 and phase 3 pushbacks with a minor amount of material mined at Wona North open pit in Q1 2021.

The current LoMp assumes mining of a total of 4.4Mt at Siou underground mine of which the ore component is estimated at 3.9Mt grading 4.06g/tAu for total contained metal of 514koz. The ore mining rate is scheduled to increase to 826kt in 2021 thereafter increasing to a maximum of 920kt in 2023 and reducing to 848kt in 2024 prior to depletion of the current Ore Reserves in 2025.

The current LoMp assumes mining of a total of 10.2Mt at Wona underground mine of which the ore component is estimated at 7.6Mt grading 3.00g/tAu for total contained metal of 737koz. The ore mining rate is schedule to increase to 628kt in 2023 thereafter increasing to a maximum of 1.6Mt in 2026 which is maintained through to the penultimate year of operations prior to depletion of the current Ore Reserves in 2029.

Total mined material is planned to substantially reduce from 22Mt in 2021, 6.2Mt in 2023 and then ranging between 2.2Mtpa and 1.6Mtpa through to 2028 prior to depletion in 2029. Ore tonnage mined remains constant at 2.0Mtpa from 2021 through 2022 and thereafter reducing to 1.6Mtpa representing the combined ore production from the Siou and Wona underground operations. RoM grades remain generally range bound between 2.6g/tAu and 3.9g/tAu and generally varying in response to contributions from the open pits and the two underground mining operations.

The majority of the open pit ore is classified as medium grade ore ("**MG**") greater than 1.50g/tAu with the underground ore categorised as high-grade ore being higher than the assumed cut-off grades of 2.5g/tAu and 2.25g/tAu for Siou and Wona underground operation (Table 8-24).

Mining operating expenditures per deposit are reported in Table 8-25 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits.

Unit mining costs (Table 8-25) for the open pit operation are assumed at US$3.48/$t_{mined}$ for total operating expenditures of US$89.8m Unit operating costs for the current LoMp for Siou underground are assumed at a weighted average per tonne of ore of US$68/t for total operating expenditures of US$298.3m. Unit operating costs for the current LoMp for Wona underground are assumed at a weighted average per tonne of ore of US$43/t for total operating expenditures of US$326.1m.

Table 8-21: Mana Gold Mine: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
Wona South WSP2	10,966	1,106	9,859	8.9	1.1	19.7	79.2
Wona South WSP3	14,665	1,267	13,398	10.6	21.9	8.4	69.6
Wona North WNP3	152	152	-	-	-	-	100.0
Siou u/g	4,377	3,933	444	0.1	-	-	-
Wona u/g	10,167	7,630	2,537	0.3	-	-	-
Total	**40,327**	**14,089**	**26,238**	**1.9**	**13.0**	**13.2**	**73.9**

Table 8-22: Mana Gold Mine: open pit deposits ore mining inventory

Deposit	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Wona South WSP2	1,106	1.88	67
Wona South WSP3	1,267	1.83	74
Wona North WNP3	152	2.81	14
Siou u/g	3,933	4.06	514
Wona u/g	7,630	3.00	737
Total	**14,089**	**3.10**	**1,405**

Table 8-23: Mana Gold Mine: open pit mining start and depletion periods

Deposit	Start	End
Wona South WSP2	2021	2021
Wona South WSP3	2021	2022
Wona North WNP3	2021	2021
Siou u/g	2021	2024
Wona u/g	2021	2029
Total	**2021**	**2029**

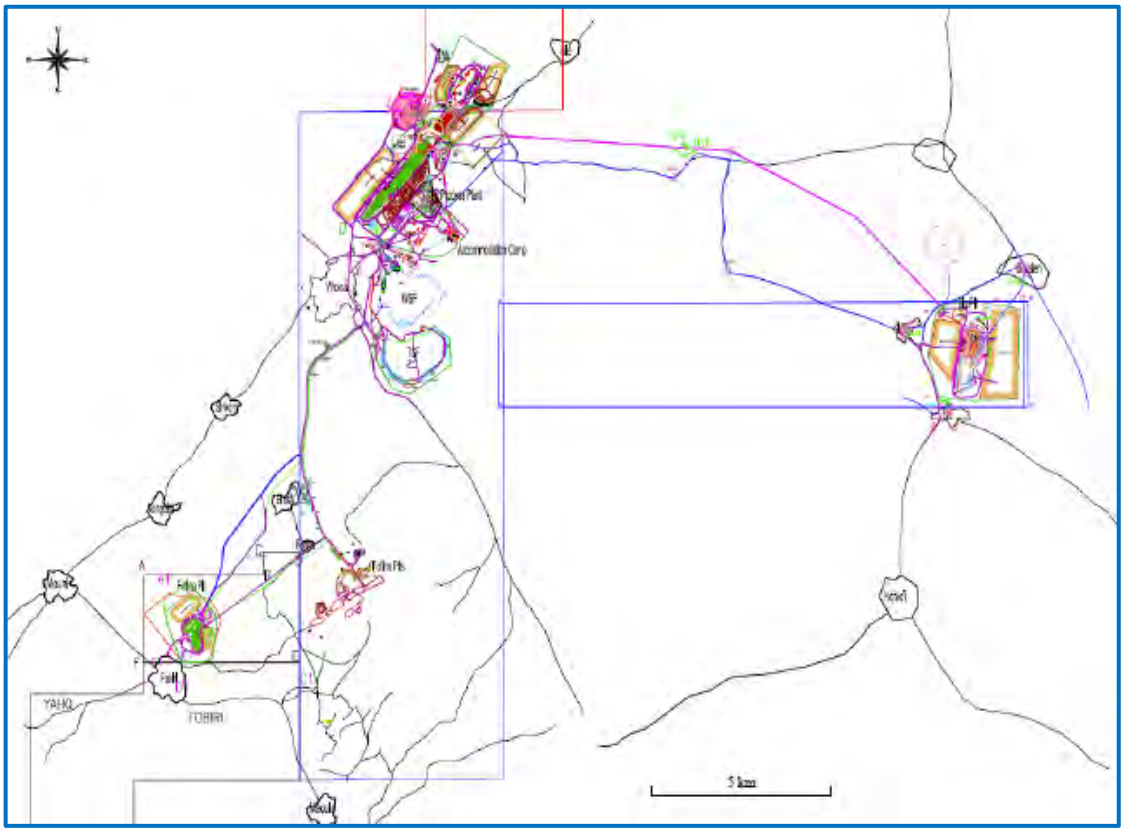
Table 8-24: Mana Gold Mine: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Wona South WSP2	-	-	-	1,106	1.88	67
Wona South WSP3	-	-	-	1,267	1.83	74
Wona North WNP3	152	2.81	14	-	-	-
Siou u/g	3,933	4.06	514	-	-	-
Wona u/g	7,630	3.00	737	-	-	-
Total	**11,715**	**3.36**	**1,264**	**2,374**	**1.85**	**141**

Table 8-25: Mana Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Wona	10,966	3.48	38.2
Wona South WSP3	14,665	3.48	51.1
Wona North WNP3	152	3.48	0.5
Siou u/g	4,377	68.14	298.3
Wona u/g	10,167	32.07	326.1
Total	**40,327**	**17.71**	**714.1**

Figure 8-9: Mana Gold Mine site layout



8.5 Mineral Processing

Operating processing facilities at the Mana Gold Mine comprises the Mana CIL Plant which commenced construction in 2007 and achieved first gold pour in 2008. The Mana CIL Plant is located immediately southeast of the Wona open pit complex and ore from the Siou underground mine located to the east-southeast of Mana CIL Plant is transported some 15km via a dedicated haul road.

The flowsheet includes a single stage jaw crusher, two stage SAG/ball milling comminution circuit, pre-leach tank, CIL circuit comprising eight tanks, Zadra elution circuit, electrowinning and gold smelting to produce doré on site. Slurry tails from the CIL circuit are pumped to the tailings storage facility and supernatant water is recycled back to the mill. Nominal capacity has increased over time and is currently estimated at 2.7Mtpa with throughput historically exceeding this and reaching 2.8Mtpa on occasion depending on the proportions of oxide and fresh ores in the plant feed. Whilst metallurgical performance has indicated over 12 years of adherence to design specifications, mining of the oxide ores from the open pit will cease in 2022 at which point Mana Gold Mine will transition to two underground mines providing fresh ore feed only. Processing of Siou underground ore commenced in 2019 and will continue through to 2026, with processing of Wona underground ore planned to commence in 2022 through to 2029. Milled tonnage from 2023 onwards is planned to reduce significantly to 1.6Mtpa.

Assumed metallurgical recoveries for the open pit ores are based on extensive historical experience, however other than for processing in 2019 and 2020, the support for Siou and Wona underground recovery assumptions are largely based on a combination of historical testwork and mining of similar ores in the fresh ore section of the open pits. Further metallurgical testwork is planned for the underground ore from the Wona deposit and this will

be completed as part of the Wona underground feasibility study planned for completion in 2021.

The current LoMp assumes processing of a total of 14.2Mt grading 3.10g/tAu to produce some 1.2Moz of gold at a weighted average metallurgical recovery of 86.8%.

8.5.1 Process Plant Feed

The Mana CIL Plant has processed a mixture of oxide, transitional and fresh material since 2008 and the metallurgical performance has largely aligned with the historical results reported to date.

Metallurgical and comminution testwork has been undertaken for the Mana Gold Mine in four phases 2002 (Scoping Study), 2005 (Pre-Feasibility Study), 2010 (Updated Technical Report) and 2020-2021 (Site testwork) on representative samples sourced from the expected minable underground stopes based on available Mineral Resource estimate at the time. The testwork achieved varied metallurgical and comminution performances across the range of samples, with fresh ores showing a proportion of refractory and graphitic material, which contribute to low to moderate leach extractions. The fresh ores were extremely competent with high breakage energy requirement for the coarse particles and moderately high finer grinding energy requirements.

Additional sight testwork has been conducted on RoM spot samples, which have shown that the metallurgical and comminution characteristics of this material are similar to the Wona deposit ores already tested to date. Additional testwork on ores representative of the additional resource is planned to confirm the expected metallurgical performance with results for all material available for the next study phase to advance the Wona 2021 PFS to feasibility study level.

For Siou underground ores the metallurgical testing was carried out in December 2012, by SGS South Africa. This testwork program was based on RC composite samples comprising a total of 233kg. The samples of the mineralised zone, which were selected by Semafo, ensured both spatial and grade representation of the deposit and, also, enabled comparison of oxidized and fresh rock characteristics.

- Bond Ball Mill Work Index testwork ("**BBMI**") tests gave results that compared well with Wona mineralisation, with values between 7.1kWh/t and 11.5kWh/t for soft oxide mineralisation and 14.0kWh/t to 16.8kWh/t for medium-hard sulphide mineralisation;
- Leach test results indicated excellent gold recovery using standard CIL processing. The recovery was consistently at or above 95% for all mineralisation types including oxides and sulphides, which indicates a high proportion of free gold within the mineralised samples. Gold is almost exclusively associated with quartz veins;
- Gravity recoverable gold results demonstrated excellent gold recovery potential using gravity concentration. Gold recoveries ranged from 75% and 87% and the results demonstrated a high level of free gold in the samples; and
- The mineralogical study by SGS South Africa showed that the Siou samples contained a high concentration of silica (80wt%) with lesser amounts of aluminium, iron, potassium and sodium. The gold was typically found in particles larger than 53µm but less than 75µm.

For Wona-Kona ores the metallurgical testing carried out between 2002 and 2005 was supervised by Reminex (Morocco) (Reminex 2002, 2003, 2004) and Mintek (South Africa) (Mintek 2004). The process flowsheet design confirmation and optimization were developed in 2007 by Genivar, an engineering consultant based in Montreal, Canada, based on an extensive testwork program completed by SGS Lakefield using RC composite samples selected from the main mineralised zones. The testwork results demonstrated that gold recovery was variable

depending on the Wona-Kona orebody, the depth of sample and the nature of the mineralisation (oxide or sulphide). Following a detailed review of the testwork results, the CIL process was the selected gold recovery method with bottle roll leach testwork results indicating as follows: saprolite (90.2%); saprock (87.1%); and sulphide/fresh (81.0%).

Two sets of metallurgical testwork programmes have been undertaken for the Wona underground deposit. The 2010 metallurgical testwork programme built on the previous PFS work, testing a range of metallurgical and comminution samples. All samples were selected to be representative of the mineable resource by the exploration geologists. Additional metallurgical and sighter tests have been undertaken by the site metallurgy department in 2020-2021 to evaluate gold deportment, liberation and mitigation of graphitic material witnessed in RoM samples. The 2010 testwork programme was carried out by SGS (SGS South Africa, Johannesburg) under the direction of Semafo and was reported in various technical reports completed from 2010 through 2011.

- BBMI results for a limiting screen size of 106µm ranged from a low of 15.7kWh/t to a high of 18.8kWh/t with an average of 17.4kWh/t;
- All leach tests were conducted at a grind size of 80% passing (P80) 75µm under standard cyanidation leaching conditions. Gold extraction was moderate to high with overall gold extraction averaging 81.84%. Gravity gold, leach kinetics were not assessed during this testwork programme, however reagent requirements were low for the fresh samples;
- Generally gold extraction increased as grind size decreased, however extractions were not significantly higher at a grind size of P80 56µm than at P80 75µm. The economic optimum grind appeared to be P80 75µm with similar gold recoveries and lower operating costs when compared with P80 56µm, suggesting residual gold is finely disseminated, as gold extraction did not exceed 85% in this sample; and
- Organic carbon levels were varied and preg-robbing due to the presence of organic carbon is not shown to have a significant impact on recoveries.

8.5.2 Flowsheet

The current flowsheet at Mana CIL Plant comprises a standard SABC comminution circuit, CIL circuit, Zadra elution circuit and tailings disposal as represented in Figure 8-10.

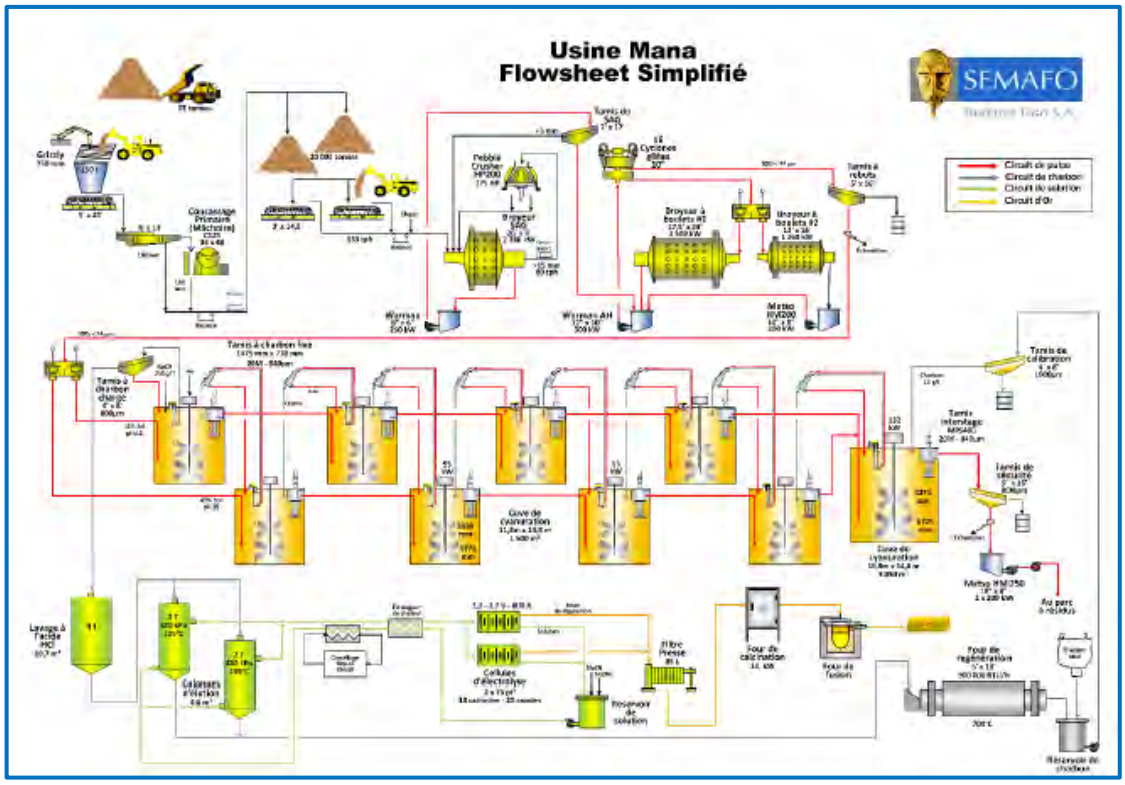
The comminution circuit consists of an open primary jaw crusher circuit followed by SAG and ball mills. The SAG mill operates in closed circuit with a pebble crusher and the product from the SAG is also screen classified prior to feeding the ball mills. The ball mill product is in closed circuit with hydrocyclones to produce a product P80 of 74µm. Product from the grinding circuit is leached through a CIL circuit with a retention time of ±28 hours depending on throughput. Loaded carbon from the CIL is stripped through a pressurized Zadra system. The pregnant solution from the Zadra circuit is pumped to the gold room where electrowinning and smelting of the electrowon sludge occur to produce a gold doré. Slurry tails from the CIL circuit are pumped to the TSF and supernatant water is recycled back to the mill. No gravity circuit or thickeners are included in the existing flowsheet.

The key process design criteria establish since 2012 when the Siou open pit was initially processed are:

- Nominal design capacity of 2.69Mtpa;
- Daily processing throughput of 8,000tpd;
- Mill availability of 92.0%;
- Feed rate to the grinding circuit of 333tph; and

- Cyanide concentration of 125g/l to 180g/l.

Figure 8-10: Mana CIL Plant: simplified flowsheet



8.5.3 Historical Performance

Historical performance at the Mana CIL Plant reflects continued operations since 2008 whereby a total of 29.9Mt of material grading 2.75g/tAu has been processed to produce a total of 2.4Moz of gold with an effective recovery of 90.8%. Since 2015, analysis of processing statistics (Table 8-26) indicates that throughput has generally reduced from a high of 2.8Mt in 2016 and since 2018 has ranged between 2.1Mtpa and 2.6Mtpa largely reflecting the proportions of oxide, transitional and fresh ores treated. Ore feed grades have ranged from 3.63g/tAu to 2.06g/tAu with accompanying recoveries generally ranging between 90% and 95% and for 2020 reporting 92.6%. Availability and utilisation reported for 2020 are relatively high indicating that the Mana CIL Plant is relatively well operated and maintained. Unit operating expenditures reported for 2020 report a unit cost of US$21.09/$t_{milled}$.

Table 8-26: Mana CIL Plant: historical operating statistics

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Ore	(kt)	14,961	2,399	2,753	2,740	2,574	2,061	2,433
	(g/tAu)	2.77	3.63	2.88	2.46	2.36	2.28	3.02
	(kozAu)	1,334	280	255	217	195	151	236
Recovery	(%)	92.8	91.4	94.2	95.2	92.7	89.8	92.6
Recovered	(kozAu)	1,238	256	240	206	181	136	219
Produced	(kozAu)	1,238	256	240	206	181	136	219
Sold	(kozAu)	1,232	259	241	205	181	132	214
Gold in Circuit	(kozAu)	-	-	-	-	-	-	-
Finished Goods	(kozAu)	-	-	-	-	-	-	-
Efficiency								
Availability	(%)	-	-	-	-	-	-	94.0
Utilisation	(%)	-	-	-	-	-	-	95.4
Throughput	(%)	-	-	-	-	-	-	309
Opex								
Processing	(US$m)	51.3	-	-	-	-	-	51.3
	(US$/t)	3.43	-	-	-	-	-	21.09

8.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput of less than that

achieved historically and generally reducing to 2.2Mt in 2021, 2.0Mt in 2022 and thereafter generally attaining 1.6Mtpa for the remainder of the LoMp until depletion of the Ore Reserves in 2029. Total ore processed (Table 8-27) is reported at 14.2Mt grading 3.10g/tAu all of which is essentially classified as fresh ore type (Table 8-28; Table 8-29). The weighted average metallurgical recovery projected over the LoMp is estimated at 86.8% (Table 8-30). Over the LoMp period metallurgical recoveries are assumed to continue to range between 91% and 81% with the lower recoveries reflecting processing of the fresh ores from the Wona underground operation.

Operating expenditures vary by deposit and in certain instances by weathering type as reported in Table 8-31. The weighted average LoMp processing costs is forecasted at US$20.58/$t_{milled}$ and generally remains range bound between US$19.70/$t_{milled}$ and US$21.90/$t_{milled}$ through to 2029. The current unit costs are similar than that reported for 2020 and are assumed to remain at the same generally range despite the reduction in total tonnage throughput to 1.6Mtpa from the historical 2.4Mtpa achieved in 2020.

Table 8-27: Mana CIL Plant: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Wona South WSP2	1,106	1.88	67	116	2.35	9	2,642	1.93	164
Wona South WSP3	1,267	1.83	74	-	-	-	-	-	-
Wona North WNP3	152	2.81	14	-	-	-	-	-	-
Siou u/g	3,933	4.06	514	20	5.29	3	3,953	4.07	517
Wona u/g	7,630	3.00	737	-	-	-	7,630	3.00	737
Total	**14,089**	**3.10**	**1,405**	**136**	**2.79**	**12**	**14,225**	**3.10**	**1,418**

Table 8-28: Mana CIL Plant: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Wona	2,642	1.93	164	-	-	-	-	-	-	2,642	1.93	164
Siou u/g	3,953	4.07	517	-	-	-	-	-	-	3,953	4.07	517
Wona u/g	7,630	3.00	737	-	-	-	-	-	-	7,630	3.00	737
Total	**14,225**	**3.10**	**1,418**	**-**	**-**	**-**	**-**	**-**	**-**	**14,225**	**3.10**	**1,418**

Table 8-29: Mana CIL Plant: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
Wona	-	-	2,642	2,642	-	-	100.0
Siou u/g	-	-	3,953	3,953	-	-	100.0
Wona u/g	-	-	7,630	7,630	-	-	100.0
Total	**-**	**-**	**14,225**	**14,225**	**-**	**-**	**100.0**

Table 8-30: Mana CIL Plant: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
Wona	-	-	138	138	-	-	84.0	84.0
Siou u/g	-	-	497	497	-	-	96.0	96.0
Wona u/g	-	-	597	597	-	-	81.0	81.0
Total	**-**	**-**	**1,231**	**1,231**	**-**	**-**	**86.8**	**86.8**

Table 8-31: Mana CIL Plant: operating expenditures

Deposit	Processed	Opex	
	(kt)	(US$/t)	(US$m)
Wona	2,642	23.41	61.8
Siou u/g	3,953	19.35	76.5
Wona u/g	7,630	20.24	154.4
Total	**14,225**	**20.58**	**292.8**

8.6 Waste Management

Waste management at Mana Gold Mine is primarily focused on the TSF and the various existing and planned WRDs which service the Mana CIL Plant and open-pit and underground mining operations respectively. Whilst the TSF is clay lined, the current waste management facilities both with respect to operational, closure and post-closure considerations do not consider at present any detailed engineering consideration which may be required to address acid rock

drainage and metal leaching potential. Accordingly, SRK notes that whilst sufficient operating physical capacity exists to deposit and store waste arisings from the Mana CIL Plant and the mining operations, post closure management has not yet been sufficiently advanced to rule out any further changes which may be required to address these items.

8.6.1 Tailings Storage Facility

The TSF is owned and operated by Mana Gold Mine and was commissioned in 2008 and is located 4km south of the Mana CIL Plant. The facility comprises a paddock storage surrounded by four perimeter dykes and was subdivided into two cells (East Cell and West Cell: Figure 8-11; Figure 8-12) by a median dyke in 2010. The facility has historically been extended using the upstream method though this has been converted to a centre-line method for the last raise which commenced in Q4 2020 and be completed in Q2 2021.

The TSF design includes: 4 perimeter starter dykes built as embankments with a compacted clay core and laterite in the shoulders; a decantation basin to pump out the supernatant pond which is raised with every embankment raise; 5km long HDPE pipeline to discharge tailings; a spillway in the northern portion of the West Cell. The TSF impoundment base is clay lined and has no artificial sealing liner.

A geotechnical study was conducted on the tailings site included drilling, in situ testing and laboratory tests with the aim of assessing the foundation materials and construction requirements. Full details of the geotechnical works are presented in the report geotechnical study prepared by Qualitas Group Inc. published in 2013. Slope stability and seepage analysis were performed by SNC-Lavalin which indicated an appropriate factor of safety.

Site water management scheme consists of five surface runoff basins and three dams forming the Wona Reservoir (referred to as W1, W2, W3). The reservoir had an initial design capacity of ± 3.6Mm^3, although a large amount of seepage from W3 has limited the operational height to 366m and the capacity to 2.0Mm^3. A reverse filter was added on the downstream slope of the dam to improve stability.

Figure 8-11: Mana Gold Mine Tailings Storage Facility

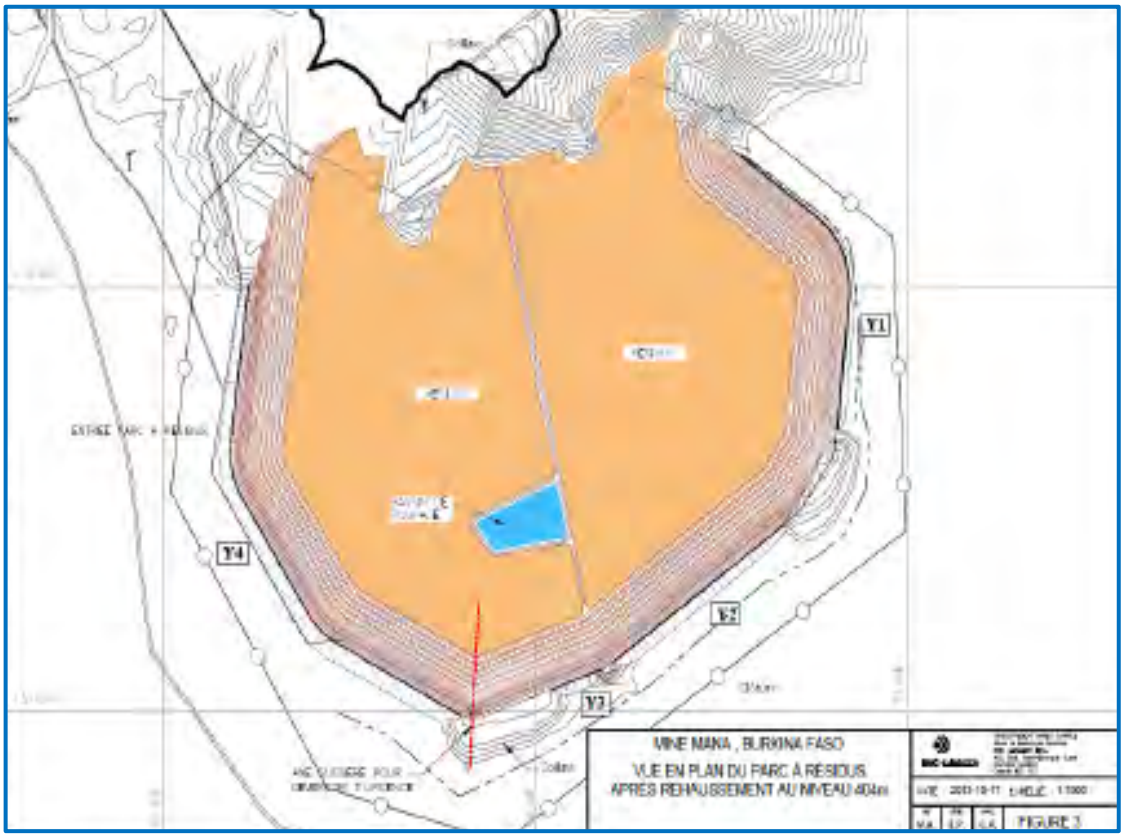
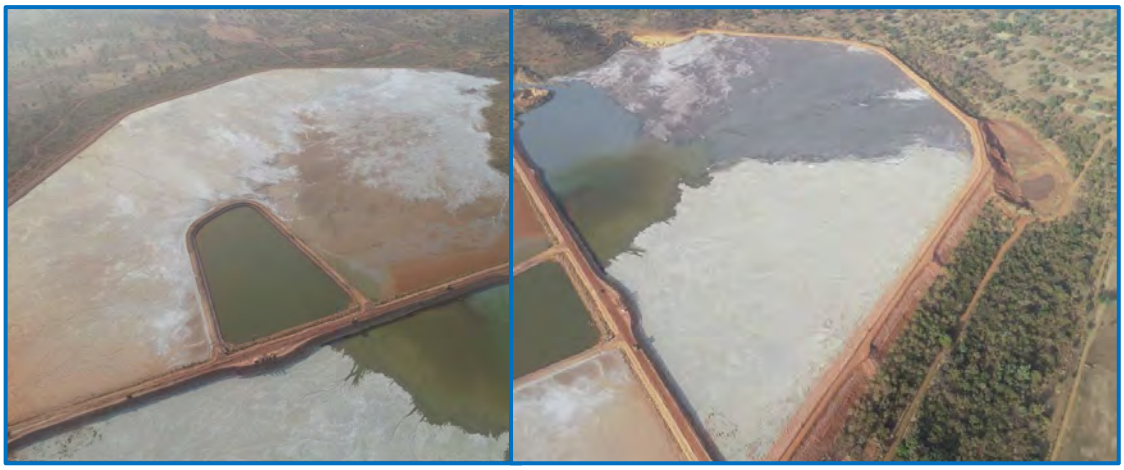


Figure 8-12: Mana Gold Mine Tailings Storage Facility aerial views (left – west cell; right - east cell)



Historically the TSF was raised upstream in approximately 3m vertical increments with embankment crest elevations of 377maD; 380maD; and, current maximum elevation of 383maD. To 31 December 2020 a total of 29.9Mt of tailings arisings has been deposited on the TSF and as at 1 January the remaining LoMp deposition requirement as projected for depletion of the Ore Reserves assumes additional deposition of 14.2Mt prior to planned cessation of operations in 2029.

The current development phase of the TSF assumes a six-stage lift, of which stage three (with capacity of 17.6Mt has been completed with stage 4 currently under construction. Completion of stage 4 through six provides further capacity of 11.6Mt with an additional final stage 7 requited to extend capacity by a further 2.6Mt to ensure sufficient space for the full 14.2Mt of

future arisings.

Stage 4 raise comprises a centreline raise with initial construction of a mine waste buttress and will provide storage until May 2023. Construction of the next three stages will be completed in 2023 (Stage 5), 2024 (Stage 6) and 2027 (Stage 7). Total sustaining capital expenditure relating to TSF construction is estimated at US$7.3m and is based on a unit rate per tonne of placed capacity of US$0.51/t.

A dam safety inspection of the tailings and water storage facilities at Mana Mine was carried out by an independent auditor BBA Consulting Limited ("**BBA**") in 2020 for which a report published in May 2020 indicated as follows in respect of the TSF and the water dams:

- A lack of available as-built supporting information including spillway designs and appropriate stability analysis;
- Inadequate water balance assessment for which design errors were identified as the water supply from the watershed accounts for a smaller than expected percentage of the designed storage capacity of the reservoir;
- Erosion of dam slopes and raise berms was identified as an ongoing problem due to the material being used for the dyke construction. Moderate ravelling of the downstream slope was noted on Wona 2 and in sections of the TSF dams, large cracks were also observed. These areas should be repaired as soon a practically possible to ensure that they do not deteriorate and furthermore the frequency and intensity of maintenance should be increased; and
- In general, the design of spillways was not well thought out or detailed and multiple recommendations were used for improvement including ensuring that future spillways be built into natural ground. Regardless, all spillways and spillway channels need to be erosion protected with rip-rap material. The spillway and spillway strategy for each dyke raise also needs to be properly designed once the hydrology report is available.

In respect of the TSF specifically, the report also outlined the following items:

- More investigation into the volume of each raise may be needed and no study on the suitability and stability of these raises has been provided;
- It was recommended that a proposal for a new dike cross-section be developed with an outer shell of mine waste rock, in order to address concerns regarding sourcing the material and erosion of the embankments;
- The capacity of the dormant cell to retain water during a storm event has not been evaluated. The dimensioning of the North spillway channel connecting to the West cell remains unverified;
- A pseudo static and/or post-liquified strength stability analysis was not available for review. Such an analysis needs to be conducted, in accordance with requirements of best practice (and with due consideration of the proposed raising strategy); and
- The water basin in the centre of the TSF may cause problems as a saturated zone beneath the pond will form and make the tailings susceptible to liquefaction. Therefore, the water basin should be moved to the edge of the facility or a hydrogeological evaluation should be conducted to determine the extent of saturation.

Specific findings applicable to the reservoir and water dams noted in the report:

- A large amount of seepage was noted from W3 meaning a maximum water level of 366m, reducing the storage capacity of the reservoir, it was also recommended in the review that W1 and W2 be monitored closely for seepage at 366m water level;

- It was also suggested that some of the material used in the dam was susceptible to internal erosion, however, no geotechnical reports (either regarding material properties or dam stability) have been provided; and
- Within the reservoir the water's edge was over 100m from the toe of Wona 1 and 2 at the time of the site visit. Given the current recommendation not to operate the basin above elevation 366m consideration should be given to declassifying and decommissioning Wona 1 and Wona 2. The supernatant pond should be moved towards the centre of the natural valley in the TSF basin, as far away from the embankments as practicable. The existing tailings deposition plan allows for this modification without significant changes to the deposition locations.

In respect of the above, it is understood that the Group has acknowledged the recommendations and findings of the report and is presently actioning a number of appropriate technical studies, investigations and remedial action to address the items accordingly. The first action was to change the wall raise method to centreline which addresses previous embankment erosion concerns and also increases the size of the downstream embankment Furthermore, the Group has appointed Knight Piésold to conduct all future annual audits of the facility to ensure consistency of approach across all TSFs owned and operated by the Group.

To date a total of 29.9Mt (Table 8-32) of material has been deposited onto the TSF and the current LoMp requires deposition of a further 14.2Mt from 1 January 2021 onwards which provides for a total deposition requirement of 44.1Mt. The total capacity estimated to completion of Stage 7 is estimated at 44.1Mt which is sufficient to meet the deposition requirements of the current LoMp and the accompanying capital expenditure is estimated at US$7.3m.

Table 8-32: Mana CIL Plant deposition

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Arisings	(kt)	27,684	2,399	2,753	2,740	2,574	2,061	2,433
	(g/tAu)	0.25	0.31	0.17	0.12	0.17	0.23	0.22
	(kozAu)	223	24	15	10	14	15	17
TSF Placed[1]	(kt)	29,859	17,297	20,051	22,791	25,365	27,426	29,859
	(g/tAu)	1.80	0.31	0.29	0.27	0.26	0.26	0.25
	(kozAu)	1,726	171	186	196	210	226	243

(1) Total includes material depositing from arisings prior to 2015.

8.6.2 Waste Rock Dumps

Mana Gold Mine has historically operated a total of 7 WRDs which have essentially serviced the deposition of a total of 337.2Mt of waste mined to date. The current LoMp assumes that a further 26.2Mt will be produced from the open pits and there is sufficient capacity to cater for the deposition of this additional material.

8.7 Infrastructure

Mana Gold Mine has been in production since 2008 and has in place all the infrastructure required to support the open pit and underground mining operations as well as the 2.8Mtpa CIL Plant. This includes, but is not limited to, a secure water harvesting and storage facility, a site light fuel oil power station, accommodation and recreation facilities for non-local staff, open pit mining facilities, the processing facilities, a tailings storage facility and all the necessary offices, warehouses and workshops to sustain the operation.

8.7.1 Access and Transportation

Mana Gold Mine is accessible by road from the capital city of Ouagadougou which is serviced by regular air flights to Europe and other African countries. The first 250km of the 300km distance is on the main paved roads between Ouagadougou and Dédougou (N1 and N14). The remaining 50km southwards from Dédougou is via a well-maintained gravel road. Materials,

consumables and personnel are transported to mine site via these access roads.

A network of site gravel and laterite roads provides access between the administration area, process plant facilities, bulk fuel storage, power plant, mine services area, and accommodation camp. These roads are generally 6m wide and constructed to ensure that storm water sheet flow is achieved across the site, thereby avoiding the need for deep surface drains and culvert crossings within the plant area. A network of gravel roads capable of handling the mining fleet provides access between the open pit mining operations and the processing facility and to facilities such as the TSF and the Siou underground mining operation.

An airstrip was constructed adjacent to the Siou open pit which commenced operations in early 2021 to enable regular and efficient access to Ouagadougou and neighbouring Group mines.

8.7.2 Power Supply and Distribution

Due to the remote location of Mana Gold Mine, power is provided by a diesel-fuelled generation station located adjacent to the process plant. The maximum capacity of the existing power plant is 21.4MW based on the following units:

- Power plant No.1 comprising four 0.9MW high speed diesel units (Cummins KTA50G3), providing power at 0.4kV and four 1.6MW high speed diesel units (CAT 3516B), providing power at 6.6kV;
- Power plant No.2 comprising five 1.0MW high speed diesel units (Cummins KTA50G3), providing power at 6.6kV; and
- Power plant No.3 comprising four 1.6MW high speed diesel units (CAT 3516B), providing power at 6.6kV.

By Q1 2023 the power plant will consist of ten (10) CAT 3516B gensets and one (01) Cummins KTA50G3 genset providing 17MW for Mana mine Electricity supply. The Cummins gensets will be progressively decommissioned and replaced by adding one (01) CAT 3516B genset in 2022 and the final genset in 2023.

The average running load of the process plant is currently around 7.5MW to 9.5MW, including the power consumption of the overhead distribution lines.

The SAG and ball mills have the largest demand loads and the SAG mill has a variable speed drive and the ball mill has a fixed speed drive and liquid resistance starters to provide ‘soft start’ capability to reduce the load surge during start-up and minimize the need for ‘spinning reserve’ in the power station.

A new (2017) electrical substation, identified as MANA, is located near the existing power plants. The new substation has a capacity of 15MVA and includes a power transformer 33kV/6.9kV, 15MVA.

8.7.3 Water Supply

Operational water demand is met from tailings storage facility decant, pit dewatering (including precipitation in the pit area), surface runoff and site groundwater which is collected in raw water dams and ponds around the site. The total process plant water demand is between 2.6Mm^3/y and 2.9Mm^3/y.

The surface water collection network consists of five collection basins located north and south of the treatment plant with a nominal holding capacity of 0.6Mm^3 comprising the following: Bissa basin (0.197Mm^3); North basin (0.160Mm^3); East basin (0.055Mm^3); South basin (0.139Mm^3); and Tounou basin (0.050Mm^3).

Seventy percent of surface water (1.9Mm^3) is recovered every year in the different collection basins around the site with the balance coming from boreholes and pit dewatering. The water

storage dam has a design capacity of 3.6Mm^3 although the maximum utilization has been 2.1Mm^3. The dam receives water from surrounding watersheds and the surface water collection ponds.

Potable water for the Mana Gold Mine is supplied from underground wells (Dangouna village, Somana, Wona and accommodation camps). An average of 4,000m^3/m of drinking water is consumed for drinking, bathing, kitchen and laundry usage.

8.7.4 Hydrocarbon Storage

An onsite bulk fuel storage facility is located close to the power plant and provides diesel for power generation, mine trucks, light vehicles and users at the process plant. Three tanks at the bulk fuel storage facility have a maximum capacity equivalent to approximately 26 days of requirements, i.e., 3.5Ml of diesel fuel. Day storage tanks are installed at the power plant and in the process plant. All storage tanks have a total capacity of 0.1Ml and all fuel is provided by TOTAL.

8.8 Human Resources

Mana Gold Mine presently reports 2,343 TEC comprising 731 employees of which 697 are nationals (Table 8-33). Table 8-34 presents the historical productivity metrics for Mana Gold Mine reported from 2019 through 2020 inclusive. This indicates that total material processed per TEC per month has increased to 87t/TEC/m whilst gold production has increased to 242g/TEC/m.

Table 8-33: Mana Gold Mine: historical human resources

Statistic	Units	2018	2019	2020
Expatriates	(No)	-	-	34
Nationals	(No)	-	-	697
Subtotal	**(No)**	**-**	**-**	**731**
Contractors	(No)	-	-	1,475
Daily Workers	(No)	-	-	137
Total	**(No)**	**-**	**-**	**2,343**
Management Localisation	**(No)**	**-**	**-**	**11.0**
Labour operating expenditure	(US$k)	-	-	29,205
	(US$/TEC/m)	-	-	3,329

Table 8-34: Mana Gold Mine: historical productivity metrics

Statistic	Units	2017	2018	2019	2020
Physicals					
Processed	(kt)	-	-	2,061	2,433
Produced	(kozAu)	-	-	136	219
Productivity					
TEC	(No)	-	-	2,343	2,343
	(t/TEC/m)	-	-	73	87
	(g/TEC/m)	-	-	150	242

8.9 Occupational Health and Safety

Occupational health and safety at Mana Gold Mine is managed in accordance with an Occupational, Health and Safety Standard OHSAS 18001. Review of historical statistics from commencement of operations in 2019 indicate low LTIs over the period to a value of 0.84/mmhr in 2020. AIFRs denote a significant increase in 2020 to 5.73/mmhr compared with 3.52/mmhr reported in 2019 which coincides with a change in reporting standards predominantly. In 2020 a total of 350 malaria cases were reported which is significantly lower than that reported for 2019.

Table 8-35: Mana Gold Mine: historical occupational health and safety statistics

Statistic	Units	2015	2016	2017	2018	2019	2020
Safety							
Fatality	(No)	-	-	-	-	-	-
Lost Time Injury	(No)	-	-	-	-	-	4
Total Time	(m.hrs)	-	-	-	-	3.97	4.75
LTIFR	(No/mmh)	-	-	-	-	-	0.84
AIFR		-	-	-	-	3.52	5.26
Occupational Health							
Malaria Cases	(No)	-	-	-	-	528	350

8.10 Environmental and Social Management

An ESIA was prepared for the Mana Mine by Socrege, a Burkinabé consultancy, in 2006. The most significant impacts are social, primarily related to the physical and economic displacement of people and noise and vibrations from mine operations, as well as potential pollution of water courses. Benefits arise from economic and development contributions.

The ESIA report includes rudimentary environmental management and closure plans. This ESIA report was amended to cover a new pit and the establishment of a new waste rock storage facility in the northeast extension of the Wona main pit. It was further amended to cover the Fofina and Siou open pit projects and the second extension of the operating licence. In 2018, an ESIA was conducted for the Siou underground mine.

8.10.1 Environmental Authorisations

Environmental approval for Mana Gold Mine was obtained in October 2006 (Arrêté nº 2006-058/MECV/CAB), on the basis of the ESIA compiled for the then proposed project. Conditions of approval in the environmental licence for Mana Gold Mine require inter alia resettlement, and compensation of people affected by the project, environmental management, monitoring and rehabilitation, implementation of safe work practices and an emergency response plan and engagement of local communities in relation to health matters and sacred sites.

Additional environmental permits were issued in December 2013 for the Fobiri (Arrêté nº 2013-212/MEDD/CAB) and Siou (Arrêté nº 2013-213/MEDD/CAB) open pits and in 2019 for the Siou underground deposit (Arrêté nº 2019-093/MEEVCC/CAB). Additional conditions in these environmental permits relate inter alia to additional resettlement and compensation of affected people and relocation of community facilities, implementation of a community development plan and stakeholder engagement and grievance mechanism and submission of a detailed rehabilitation plan.

8.10.2 Environmental and Social Matters

Environmental and Social Setting

The Mana Gold Mine is situated 350m above mean sea level in the semi-arid Sudano-Sahelian climate region. The terrain is gently undulating and the livelihoods of people in the region are primarily based on agriculture employing traditional methods. Dominant crops are cotton (cash crop) and sorghum, millet and rice (food crops). Goats, sheep and cows are common and artisanal mining occurs but is less developed in the region than in other parts of the country.

Nearby villages include Bissa, Fofina, Bana, Wona, Yona, Somona and Dangouna. Traditional values and structures govern life in villages. All villages have sites of cultural importance, including altars, sacred natural sites, tombs and cemeteries.

Infrastructure is poorly developed, and local access is difficult during the rainy season. Education facilities include primary schools, a secondary school and religious institutions. Health centres are located in regional towns, and frequent illnesses include malaria, respiratory conditions, skin diseases and infection with parasites. Migration in the area is primarily driven by the search for fertile land and water. Young people migrate out of the region in search of work opportunities, often related to harvesting and mining.

The natural vegetation is savanna and natural habitats are degraded by agriculture, foraging, woodcutting, bushfires and some artisanal mining. Remaining stands of trees near villages typically denote sacred areas. Gallery forest remains in some riparian areas that are not used for agriculture and large mammals have disappeared due to anthropogenic pressures, though elephant were still frequenting the region. The mine area lies in a larger migratory bird corridor.

The mine lies in the Mouhoun basin of the Volta River watershed. It straddles the sub-basins of the Karouko River in the north and the Grand Bale River (also called the Tuy River) in the south. Watercourses draining the mine sites flow only during the rainy season. In the dry season, groundwater is the main source of water supply and is accessed via boreholes and modern wells.

Approach to Environmental and Social Matters

Environmental management is guided by site-specific environmental and social management plans and facility response plans. The mine reports monitoring water quality (groundwater, surface water, drinking water, wastewater), air quality, noise and vibration, acid generating potential, waste materials and tailings ponds in accordance with regulatory requirements of Burkina Faso and industry best practice. There is limited reporting on data collated in respect of monitoring results, however no effluent is discharged to the environment under normal operating conditions.

Mana Gold Mine is in the process of aligning the environmental management system with ISO 14001:2015 and is in the process of compiling a legal register to formally track compliance with commitments and obligations in permits and agreements.

Mana Gold Mine has a dedicated engagement team that engages frequently with neighbouring communities. Sixty community meetings were held in 2020, targeting various stakeholder groups including youth and women, mostly to resolve issues. Community grievances primarily relate to dust and (blasting) noise from the operation, recruitment and assistance with infrastructure maintenance. Additional consultation meetings were held in relation to community development and income generating projects and resettlement.

Mana Gold Mine has initiated steps to formalise stakeholder engagement via a stakeholder engagement plan and, in cooperation with the government, established community and regional consultation committees in 2019 as an information-sharing forum focussed on constructive relationships, community development initiatives and grievances.

At Mana Gold Mine 95% of the workforce are nationals, 1% are women and 20% are from locally impacted communities. West African staff represents 34% of senior management, 14% are nationals. The mine procures more than two thirds of its supplies from local and regional sources.

Mana Gold Mine (Semafo Burkina Faso SA) contributes to community development through both mandatory and voluntary initiatives. The recent Burkina Faso EITI report, dated February 2021 and for the Year 2019, records that the mine contributed approximately US$1m to community development comprising both mandatory (14%) and voluntary (86%). Recent examples of voluntary actions and investments are the provision of packaging support and advice to shea butter and chicken farming projects, construction and renovation of three buildings to support micro-enterprises and provision of financial training.

Resettlement

Resettlement and compensation for loss of agricultural land were required for the initial mine establishment and a subsequent expansion in 2014. No resettlement was required for the Siou underground mine. Resettlement processes at Mana Gold Mine were guided and monitored by a Compensation and Resettlement Committee chaired by the High Commissioner and representing the administration, village officials, affected people and Mana Gold Mine management. Resettlement processes are complete (2007 comprising 70 houses and 803ha of cropland; 2014 comprising 166 houses and 641ha of cropland) and the Group plans to audit resettlement and livelihood restoration programs in 2021.

Other Issues – Illegal Mining

There are some unauthorised artisanal and small-scale mining sites in the region and some encroachment on the exploitation licence areas.

Other Issues – Water Impacts

Limited test work indicates that the ARDML potential of the rock exposed by open pit mining and of placement on waste rock dumps and tailings storage facilities is low. The ARDML test work between 2009 and 2012 comprised static tests on 39 waste rock samples from the Wona pit and eight samples from the Nyafé pit. Analysis of tailings in 2009 showed presence of arsenic and other heavy metals. Mana Gold Mine now sends samples of several materials for ARDML testing on a quarterly basis. Reportedly, the results for 2019 demonstrates that there is no acid generation potential. Further test work for ARDML is needed to predict the potential long-term geochemical reactivity of material extracted by the mine and tailings and develop robust closure plans. Samples tested must represent the range of lithologies. Due to the high impact of the rainy season, special attention is given to monitoring the overall management of water at the operation, including the tailings pond.

Energy, Emissions and Water Usage Metrics

Table 8-36 presents a summary of the energy, emissions and water usage metrics at the Mana Gold Mine for the period 2017 through 2020.

Table 8-36: Mana Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	2,740	2,574	2,061	2,433
Energy Consumption	(MWh)	-	-	-	426,259
	(kWh/t)	-	-	-	175.18
Water Consumption	(Ml)	-	-	-	1,062
	(Ml/t)	-	-	-	436
GHG Emissions	(tCO_2e)	-	-	-	107,490
	($kgCO_2e/t$)	-	-	-	44.2

8.10.3 Mine Closure

Closure plans were compiled by Canadian-based consultant SNC-Lavalin for Mana (2013) and the Siou and Fofina extensions (2016). The 2013 and 2016 closure plans assume that when mining ceases, pumping is stopped, allowing the pits to gradually fill with water. Additional studies are required to determine the exact conditions of the recharge rate and water quality before future beneficial uses can be defined. The closure of the pits involves construction of a trench and revegetated berm (minimum 2.5m high) with a 15m buffer zone in between, and installation of signposts to stop the community entering the area.

Waste rock is considered non-acid generating, and WRDs will be shaped and sloped to improve stability and limit wind and water erosion. The WRDs and RoM pad will be revegetated but trials are required to identify suitable substrate and vegetation.

The TSF is considered non-acid generating and non-metal leaching and as such, closure will involve allowing sufficient time for residual surface water to evaporate, also allowing any cyanide present to degrade on exposure to ultraviolet rays. A 30cm cover, comprising of waste rock material, will then be installed to limit wind and water erosion and serve as a basis for vegetation growth. It is recognised that further studies are required.

The closure plan states the water reservoir and dams will remain in place to serve the community, and the closure cost estimate does not include provision for draining, shaping and revegetating the land. The plan does not state who will be responsible for the future use and maintenance. Infrastructure and buildings not used by communities will be removed.

Closure cost estimates contained in closure plans are US$12.9m (Mana 2013, including contingency of US$2.6m), US$0.65m (Fofina 2016, excluding contingency) and US$1.6m (Siou

2016, excluding contingency), for a combined cost of US$15.2m.

US$9.1m is held in the Fonds de préservation et de réhabilitation de l'environnement minier for Mana Gold Mine as of December 31, 2020. Reportedly, this contribution is calculated as a function of material (ore and waste rock) mined (US$0.01/t). The closure plan is planned to be updated and aligned with the Groups Standard on Mine Closure in 2022.

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$18.9m for the Mana Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$31.3m (Table 8-37) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence on closure in 2026 and are subdivided as follows: pre-closure costs of US$13.9m; closure costs of US$10.9m; and post closure costs of US$6.5m. In addition to the mine closure costs, the retrenchment costs are estimated at US$2.5m which provides for a total Environmental and Social Liability estimate of US$33.9m.

It is however important to note that the Group immediate closure as estimated as presented in Table 8-37 reflects the Group's current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that currently reflected in the ARO estimate by the Group.

Furthermore, SRK understands that the amount currently accumulated in the escrow account for Mana Gold Mine held by the United Bank for Africa is estimated at US$9.3m.

Table 8-37: Mana Gold Mine Environmental and Social Liabilities

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	1,699	1,699
Waste dumps	4,592	4,592
TSF	5,288	11,481
RoM Pad & Stockpile	106	106
Leach pads	-	-
Explosive Magazine	100	100
Plant	77	1,699
Mobile maintenance workshop	-	-
Hydrocarbon	9	9
Road	154	154
Monitoring	5,194	5,194
Tailings Water Treatment	30	30
Buildings and Infrastructure	-	-
Indirect	-	-
Contingency	1,725	6,266
Total	**18,975**	**31,332**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

8.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to the Mana Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 8-38; Table 8-39). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR. The scenario presented is limited to depletion of the stated Ore Reserves as at 31 December 2020 and does not reflect the potential for continued operations assuming inclusion of Inferred Mineral Resources and potential expansion of the open pit at a higher short-term gold price.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 9.4 and Section 9.5 of this CPR which projects processing of a total of 14.2Mt grading 3.10g/tAu with weighted average recovery of 86.8% to produce 1.2Moz of gold. The LoMp assumes continued mining at the Wona open pits for a limited period with mining operations transitioning fully to underground operations by 2023 which continue through to planned depletion of the Ore Reserves by 2029.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold poured is determined at 1,231koz and inclusion of GIC and FG adjustments results in total sales of 1,231koz. Gold production is planned to decline in line with reduced processed volumes from 195koz in 2021 to 120koz in 2027, thereafter remaining at this level until depletion in 2029.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Mana Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of: US$3.48/$t_{mined}$ for open pit operations; US$68/$t_{mined}$ for Siou underground and US$43/$t_{ore}$ (US$32/$t_{mined}$) for the new Wona underground mine; and US$20.23/tmilled for processing operations;
- Site General and Administration annual operating expenditures assumed at US$15.6m in 2021, thereafter remaining at US$12.0m until 2027 and reducing as production declines prior to depletion in 2029;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in

accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$5.4m and the LoMp weighted average unit rate per tonne milled is estimated at US$1.93/t;

- Commodity prices for consumable s inclusive of base prices, transport costs and duties include: steel balls (US$1,250/t); caustic soda (US$825/t); cyanide US$2,400/t); lime (US$450/t); HCL-32% (US$575/t); and activated carbon (US$3,250/t);
- Royalties determined in accordance with the sliding scale referenced in Section 10.2, other related third-party royalties and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 1.0% of the projected sales revenue determined on the basis of gold sales;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.00/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Burkina Faso which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures totalling US$126.8m the majority of which is related to development of the Wona underground project including capital development;
- Sustaining capital expenditures of US$102.1m comprising: US$20.4m for continued operations at Wona open pit and Siou underground and process plant sustaining capital; US$79.46m for the Wona underground project comprising capitalised development expenditures (US$46.7m), contractor mobilisation and other miscellaneous costs;
- Open pit capitalised waste related expenditures of US$23.0m incurred in 2021; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$33.9m.

Table 8-38: Mana Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	40,297	22,115	6,183	1,993	2,139	2,219	2,055	1,752	1,557	283
Waste	(kt)	26,208	19,872	4,163	445	521	616	436	149	7	-
Ore	(kt)	14,089	2,243	2,021	1,548	1,618	1,603	1,619	1,603	1,550	283
	(g/tAu)	3.10	2.84	2.60	3.66	3.85	3.20	2.87	2.99	3.02	3.41
	(kozAu)	1,406	205	169	182	200	165	149	154	151	31
Stripping Ratio	(t_{waste}:t_{ore})	1.86	8.86	2.06	0.29	0.32	0.38	0.27	0.09	0.00	-
Ore Processed	(kt)	14,225	2,338	2,062	1,548	1,618	1,603	1,619	1,603	1,550	283
	(g/tAu)	3.10	2.85	2.59	3.66	3.85	3.20	2.87	2.99	3.02	3.41
	(kozAu)	1,418	214	172	182	200	165	149	154	151	31
Recovery	(%)	86.82	90.71	90.73	90.93	90.27	86.11	81.00	81.00	81.00	81.00
Production	(kozAu)	1,231	194	156	166	181	142	121	125	122	25
Poured	(kozAu)	1,231	195	155	166	181	143	121	124	122	25
Sales											
Gold	(kozAu)	1,230	194	156	166	181	142	121	125	122	25
Operating Expenditure											
Mining	(US$m)	(714.1)	(148.59)	(92.83)	(100.11)	(90.08)	(81.65)	(60.92)	(62.49)	(63.60)	(13.81)

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Processing	(US$m)	(287.7)	(51.30)	(44.62)	(30.51)	(31.99)	(32.02)	(31.15)	(30.85)	(29.83)	(5.45)
SG&A	(US$m)	(96.6)	(15.60)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(6.00)	(3.00)
CG&A	(US$m)	(27.4)	(5.44)	(4.02)	(4.12)	(3.44)	(2.79)	(2.53)	(3.03)	(1.70)	(0.37)
Realisation	(US$m)	(3.7)	(0.58)	(0.47)	(0.50)	(0.54)	(0.43)	(0.36)	(0.38)	(0.37)	(0.08)
Capitalised Waste	(US$m)	23.0	23.00	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(1,106.6)**	**(198.51)**	**(153.94)**	**(147.24)**	**(138.06)**	**(128.89)**	**(106.96)**	**(108.74)**	**(101.49)**	**(22.72)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(126.8)	(5.09)	(26.72)	(34.90)	(39.12)	(20.95)	-	-	-	-
Sustaining	(US$m)	(102.1)	(9.69)	(4.24)	(3.31)	(3.41)	(26.57)	(35.55)	(15.07)	(3.76)	(0.45)
Capitalised Waste	(US$m)	(23.0)	(23.00)	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(33.9)	-	-	-	-	-	(1.50)	(1.50)	(1.50)	(22.87)
Total	**(US$m)**	**(285.7)**	**(37.78)**	**(30.96)**	**(38.21)**	**(42.54)**	**(47.52)**	**(37.05)**	**(16.57)**	**(5.25)**	**(23.33)**

Table 8-39: Mana Gold Mine Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Recovery	(%)	-	-	-	-	-	-	-	-	-	-
Production	(kozAu)	-	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sales											
Gold	(kozAu)	-	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)	-	-	-	-	-
Total	**(US$m)**	**(1.30)**	**(1.30)**	**(1.30)**	**(1.30)**	**(1.30)**	**-**	**-**	**-**	**-**	**-**

8.12 Risks and Opportunities

The key **risks** relating to Mana Gold Mine are:

- **Geological Modelling and Mineral Resources:** the current geological models as developed for the Mana deposits comprise numerous models developed by a combination of both prior owners and Group geologist over a prolonged period of time. Whilst in general the supporting data density is considered appropriate to support the reporting of Mineral Resources reported in accordance with the JORC Code (2012) there remain a number of areas which require to be addressed in future geological modelling and resource modelling updates.

  For the largest and most extensively drilled Mana deposits, namely Wona-Kona and Siou, there is high confidence in the trend of the estimation domains used to constrain the Mineral Resource estimates. For these deposits there is a good level of geological understanding on the controls on mineralisation, and the estimation domain models appear to be a reasonable reflection of the distribution of mineralised intersections in the underlying drillhole data. However, understanding of the deposit geometry and structural controls on mineralisation is more limited for many of the other, smaller deposits, specifically in respect of the following:

  – The mineralisation domains used to constrain the block model estimates at the Yaho deposit are interpreted as a series of parallel north-south trending structures, parallel to the overall lithological grain. Analysis of high-level grade trend analysis, indicates that mineralisation in the southern portion of the deposit is likely oblique to the modelled estimation domains, striking north-northwest to south-southeast. This may be reflective of a localised structural control; however, it appears that the current interpretation does not reflect the primary trend in the southern portion of the deposit, causing smearing of

high grade into lower grade areas (and vice versa).

- The current estimation domain model for Maoula can broadly be described in terms of two sets of structures, namely steeply dipping and flat or shallow dipping. The level of confidence in modelled orientations of the estimation domains, afforded by the current drillhole spacing and distribution, is relatively low. Notably, alternative interpretations, particularly in regard to the flat / shallow domains, could significantly impact on the extent of the optimised pit shell used for reporting Mineral Resources. Confidence in the trend of the modelled mineralisation at Fobiri is also relatively low. The current model comprises a series of sub-vertical en-echelon north-south striking lenses, however the Group have noted that alternative interpretations, including northeast-southwest trending mineralised are currently being appraised.
- Across several of the Mana deposits, the estimation domain wireframes incorporate a considerable number of barren or very low grade drillhole intersections. This is of particular relevance at the Siou deposit, where the mineralisation domains are allowed to pass through lengths of un-mineralised core logged as quartz vein, where these are considered to be a continuation of mineralised quartz vein zones along strike. This has resulted in significant mixing of mineralised and un-mineralised intersections within some of the estimation domains, and consequently smearing of high grade into low grade areas, which in turn impacts on the distribution of the MSO stopes used to report the underground Mineral Resource. For future updates it is recommended that the estimation domains are either adjusted to exclude zones of low grade / barren intersections, or that the quartz vein domains are sub-domained into high- and low-grade portions for estimation.
- It is noted that, for a number of the Mana deposits, the modelled surfaces of the oxidation profile may be characterised by erratic shapes, with large changes in depth over short distances resulting in an uneven and serrated appearance. These geometries are likely to be reflective of inconsistent logging, rather than short-scale deviations in weathering state. Since the weathering models are directly utilised in assigning block model density values, the downhole oxide models and underlying logging data require further analysis and adjusted where merited, to produce more consistent weathering models.
- For a number of the Mana deposits, the Au grade has been estimated into sub-blocks rather than into parent blocks. Additionally, the selected parent block size is often small in respect of the drill spacing. For instance, at Siou, where the selected parent block size of 2.5m by 5m by 5m results in up to 40 parent blocks between sections at depth where drilling spacing is widest. At a global-scale this is not considered a material issue; however, this should be addressed as part of the next resource update.
- Particularly in the case of Wona, and to a lesser degree some of the other deposits, the search ellipse orientation and dimensions do not adequately consider the geometry and trend of the mineralisation domains. At Wona, a fixed search ellipse orientation was applied, with no change in orientation per domain, or to reflect local variations in strike and dip within domains. Additionally, a thin across-strike ellipse range of 3m was selected for the first search pass. Consequently, the search ellipse will often fail to capture samples from adjacent holes along-strike and down-dip in areas of wider drill spacing, where the ellipse orientation is not optimised to the local trend of the corresponding domain. This results in a block model estimate that is characterised by an irregular grade distribution. This compromises confidence in the local distribution of grade within the Wona block model, although does not appear to introduce any material bias at a global scale.

  - As noted above, for the Yaho, Yama, Fofina, Fobiri, Filon 67 and Maoula deposits, as well as some domains of the Wona-Kona block model, resource classification is based directly on search pass. In some cases, this has resulted in a patchy, "spotted" type classification layout. The classification approach for these deposits should be re-visited, with classification outlines manually digitised to produce more continuous zones of consistent classification.
  - The density values applied to the Siou and Fofina block models are a reasonable reflection of the downhole density data provided. The management of the downhole data density for all other deposits requires further analysis and refinement in order to enable validation and verification of the current assumptions. This aside these assumptions are considered reasonable and given that the majority of future production is from fresh rock the impact of uncertainty typically associated with oxide and transitional material is considered to be limited;

- **Mining Production:** open pit mining production is contingent on addressing a number of aspects relating to HME availability and PCR overhaul schedules, maintaining wall stability given the historical pit failures that have occurred, implementation of the infill drilling programmes to inform the grade control models and detailed production schedules. Furthermore, at the Siou underground mine there is a risk of stope hangingwall instability and investigations are underway to implement ground control support mitigation plans;
- **Wona 2021 PFS:** the Wona underground mine LoMp is informed by the recently completed pre-feasibility study, which reflects the typical level of accuracy as defined in the JORC Code for these studies. The economic assessment of the current study assuming the current Ore Reserve price at US$1,300/oz indicates that the project as a whole is marginal and requires further optimisation to improve the project economics including the potential for extending operating life through consideration of a significant quantity of Inferred Mineral Resources presently not included in the LoMp. It is also worth noting that an updated geological has been completed which addresses some of the concerns outlined above and which will inform the Wona 2021 Feasibility Study;
- **Metallurgical Recovery Assumptions:** The current metallurgical assumptions for the underground Ore Reserve are largely based on historical testwork and limited reconciliation for processing of Siou fresh ores. In respect of Wona underground additional testwork is planned as part of the ongoing feasibility study and pending its completion there remains a degree of risk associated with that assumed for the Wona ores. This aside, the assumed recovery of 81% is relatively low and is supported by testwork completed in 2010;
- **Processing plant operating cost assumptions:** The current assumptions for processing of the individual ore sources are based on constant unit rates applied to each ore type and deposit location. The current LoMp does however denote a significant reduction in process throughput and in this instance the unit costs may not adequately model the impact of fixed costs on future lower throughput assumptions. Accordingly, there remains a risk that the unit costs as assumed herein for processing at 1.6Mtpa is understated and as such further work is required to reassess the impact of fixed costs on these unit rate assumptions;
- **Tailings Storage Facility and water storage dams:** recent audits have identified a number of areas of concern regarding the management of the TSF and WSD at Mana Gold Mine. Specifically, no dam break analysis has been completed to conform with the applied standards more investigation into the volume of each raise may be needed and no study on the suitability and stability of these raises is available. In respect of the above and other findings, it is understood that the Group has acknowledged the recommendations and

findings of the report and is presently actioning a number of appropriate technical studies, investigations and remedial action to address the items accordingly. Furthermore, the Group has appointed Knight Piésold to conduct all future annual audits of the facility to ensure consistency of approach across all TSF owned and operated by the Group; and

- **Mine Closure Risk:** Additional technical work is required to develop a detailed pre-closure, closure and post closure plan incorporating a detailed engineering and execution plan to a minimum of feasibility study level. The current level of closure design is considered to be at scoping/prefeasibility study level and as such cannot be utilised for detailed closure implementation. As part of this programme further work is required to address:
  - strengthening of the environmental management system on site and obtains certification for this as planned,
  - establishing a compliance database for obligations in permits and agreements and track conformance with these systematically,
  - compilation of a formal stakeholder engagement policy and maintains the continuous community stakeholder engagement,
  - upgrading of monitoring programs to better understand impacts on land and water users and habitats around and downstream of the mine sites,
  - undertaking resettlement completion audits to check that livelihoods of displaced people have been restored.
  - completion of ARDML studies as planned.

The key **opportunities** relating to Mana Gold Mine are:

- **LoMp Extension:** To sustain operations beyond planned depletion of the Ore Reserves in 2029 requires consideration for the potential for upgrading through infill drilling of the presently classified underground Inferred Mineral Resources. Currently Inferred Mineral Resources reporting as those Mineral Resources reporting as economic using underground methods comprise: at Siou underground mine 6.0Mt grading 3.84g/tAu and containing 746kozAu; and at Wona underground mine 19.0Mt grading 2.53g/tAu and containing 1.5MozAu. A portion of this may not be economic and it may be necessary to establish the quantum of Mineral Resources from Wona which when blended with the Siou material could sustain an average diluted head grade in excess of 3.0g/tAu. Accordingly, and pending completion of further technical studies it may be possible to extend operations for a further 8 years at a production rate of 1.5Mtpa; and
- **Exploration Potential:** Beyond the currently defined Mineral Resources additional potential exists to explore the various targets identified within the Mana Licence and the surrounding exploration permits which extend over 77km^2 and 1,230km^2 respectively.

9 SABODALA-MASSAWA GOLD MINE

9.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Group and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly. Furthermore, for the periods ending 31 December 2018 through 2020, the Group has restated the pre-Acquisition cash costs in accordance with its accounting policies and accordingly will differ from those cash costs reported herein.

The current Mineral Resource and Ore Reserve Statements as reported for Sabodala-Massawa Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

9.2 Mineral Asset Background

The technical information relating to the Sabodala-Massawa Gold Mine referenced herein is largely based on the Sabodala-Massawa Gold Mine Expansion Project (the "**SMEP**") as reported in the SMEP 2020 Pre-Feasibility Study (the "**SMEP 2020 PFS**") as summarised *"Sabodala-Massawa Project Pre-Feasibility Study National Instrument 43-101 Technical Report"* published on 21 August 2020, hereinafter the ("**SMEP 43-101 TR**"). This report also incorporates by reference the results of additional technical studies completed in respect of the Massawa Gold Project Feasibility Study completed in 2018 and reported by the Barrick Gold Corporation ("**Barrick**") in the *"Technical Report on the Feasibility Study of the Massawa Gold project, Senegal"* on 23 July 2019. Following the Teranga Acquisition, the Group incorporated various adjustments and modifications to the SMEP 2020 PFS to establish the LoMp as presented herein. Furthermore, a feasibility study (the "**SMEP 2021 FS**") is currently underway and planned for completion in Q4 2021 which is planned to, inter alia, address the outstanding items as highlight herein and to advance the technical studies to feasibility study level.

The current LoMp as reported herein is limited to depletion of the Ore Reserves (including stockpiles) from 1 January 2021 through calendar 2037. Total material mined reduces from 40Mt to 30Mt by 2029 and 5.3Mt by 2034 as open pit Ore Reserves are depleted. Mining operations continue for a further two years to 2036 when underground Ore Reserves are depleted with processing operations continuing through to 2037, this being the final year of operations. Process plant throughput increases from 4.2Mtpa to 5.5Mtpa on commissioning of

the BIOX® circuit which continues through to 2029, thereafter reverting to 4.2Mtpa with operations reverting to carbon-in-leach plant. Total Ore Reserves processed is 77.4Mt grading 1.93g/tAu and total gold production is 4.2Moz attained at a weighted average metallurgical recovery of 88.2%. Annual gold production increases from 330koz to 400koz by 2024 and thereafter declining to approximately 200koz by 2030 and gradually reducing thereafter in accordance with the production tail.

Weighted average AISC is forecasted at 752/ozAu. Total capital expenditure comprising growth (including non-sustaining: US$418.7m) and sustaining capital (US$220.5m) is estimated at US$638.7m with mine closure costs (inclusive of retrenchment) estimated at US$71.7m.

Location, Access and Infrastructure

Sabodala-Massawa Gold Mine is located at latitude 13°11'11" north and longitude 12°06'41" west in the Kédougou Department of the Kédougou, one of the 14 uppermost administrative divisions of Senegal. The Sabodala-Massawa Gold Mine is located approximately 650km east-southeast of the capital city of Dakar and 96km north of the town of Kédougou.

From Dakar, access is by sealed road, Highway N1, to the regional centre of Tambacounda and then via a sealed road, Highway N7, 230km southeast to Kédougou, connecting with a further 96km of sealed and laterite-surfaced roads to the Sabodala-Massawa Gold Mine. A 1,250m sealed, public airstrip, capable of landing light to medium sized aircraft, lies at the north end of the property.

There are 11 villages on the Sabodala Lot-A Mining Concession. The closest villages to the active operations are Sabodala (2km south of Sabodala pit), Medina Sabodala (1km further south of Sabodala) and Faloumbo (north east of Sabodala pit). Sabodala and Medina Sabodala are also located above the Niakafiri deposit and are in the process of being relocated. The Massawa project is close to Tinkoto village located immediately to the south west of the mining concession boundary. Artisanal mining is a key livelihood in this community. Several species of conservation significance have been identified within the Massawa Licence area, including populations of the Western chimpanzee, classified as critically endangered by International Union for Conservation of Nature ("**IUCN**").

Physiography and Climate

In Kedougou, the highest monthly average temperatures are between March and May (typical range from 31ºC to 40ºC). The annual Harmattan is a dry wind that blows from the north, usually from December to February, resulting in dusty and hazy skies.

There is a distinct tropical wet season from May to October, with most rain falling from storms between August and September, and a dry season from December to April. Mean annual rainfall at Sabodala mine site is approximately 1,130 mm. It is possible to operate year-round, however, the schedule allows for a reduced mining rate and for predominantly fresh rock ore to be processed in the wet season.

Topography in the area is generally undulating with a gentle gradient to the north and west towards the major river courses in the area. The area includes a network of small seasonal streams between undulating hills and ridges. The elevation varies from approximately 100m to 350m above sea level. Vegetation ranges from savannah to thick bushes and large trees on hillsides. Watercourses are typically marked by palms.

The Sabodala Licence and Massawa Licence are located across a regional watershed divide between the Gambia River Basin to the west and the Senegal River Basin to the east and north. Due to being in the headwaters of these catchments, the surface water courses within the mining licence areas are limited to small streams or gullies. Downstream of both licences in

the Gambia River basin, the Niokolo-Koba River flows through the Niokolo-Koba National Park, a United Nations Educational, Scientific and Cultural Organization ("**UNESCO**") World Heritage Site.

Figure 9-1: Sabodala-Massawa Gold Mine location map



Ownership, Mineral, Mining and Exploration Rights and Surface Rights

The Sabodala-Massawa Mine consists of two mining Licences – the Sabodala exploitation permit ("**Sabodala License**") and the Massawa exploitation permit ("**Massawa License**"). The Sabodala Licence is held by Sabodala Gold Operations SA ("**SGO**") while the Massawa License is held by Massawa SA ("**MSA**") (Table 9-1). The Group, indirectly through its subsidiaries, holds a 90% stake in each of SGO and MSA with the Government of Sénégal ("**GoS**") holding the remaining interest. Pursuant to its mining convention with the GoS, for each license, the Group is to pay the GoS, a 5% royalty on gold production.

The deposits located on the Sabodala Licence comprise Sabodala, Masato, Golouma, Kerekounda, Maki Medina, Niakafiri East, Niakafiri West, Goumbati West, Diadiako, Kinemba, Kouroulouloulou, Kouroundi, Koutouniokolla, Mamasato, Sekoto and Soukhoto. The deposits located on the Massawa Licence comprise Massawa CZ, Massawa NZ, Delya, Tina and Bambaraya.

The Sabodala Mine CIL Plant (the "**SM CIL Plant**") is located on the Sabodala Licence, whereas the deposits that will be processed over the mine life are located across the two License areas. The Sabodala License covers an area of 291.2km^2 and is renewable for one or several periods of not more than 10 years each until the depletion of the deposit subject to the condition that the Group has satisfied in all material respects its legal and regulatory obligations as set out in the Sabodala Mining Convention. The initial 10-year period would have expired on 30 April 2017, however the signing of the amended and restated Sabodala Mining Convention on 7 April 2015 with the government of Senegal extended the term to January 2025. The Sabodala License will remain renewable for successive five-year terms thereafter based on anticipated mine life and ongoing regulatory compliance.

Pursuant to the terms of a shareholders' agreement between the GoS and one of Teranga's wholly owned Mauritius subsidiaries which established SGO in November 2007, the GoS retained a 10% free carried interest in SGO. Dividend rights of the GoS are triggered only after repayment of the initial capital investment in SGO and all other third-party debt owing by SGO.

On 2 May 2015, the eight-year tax holiday granted to SGO under its Mining Agreement and its Mining License expired. SGO's fiscal framework is stabilized as to the regime in place in Senegal as of the date of its original Mining Agreement (23 March 2005), subject to mutual agreement otherwise. For instance, and notwithstanding the foregoing, SGO has agreed with the GoS to pay a 5% net smelter royalty ("**NSR**") as part of an investment agreement executed with the State in 2013.

In February 2016, Teranga received an exemption for the payment and collection of Value Added Tax ("**VAT**"). This VAT exemption is governed by an amendment to the existing mining convention and is enforceable for six years, expiring on 2 May 2022. Further, SGO applied for and was approved for qualification under a export free enterprise ("**EFE**") investment program in Senegal, and on 16 November 2018, SGO was granted EFE status, which guarantees SGO an exemption from customs duties, including parafiscal levies, business tax, and registration fees, as well as 3% employer payroll tax, until 15 October 2021.

Related to Sabodala are two exploration permits held 100% by Sabodala Mining Company Sarl ("**SMC**"), an indirect subsidiary of the Group - the Bransan Permit and the Sounkounkou Permit covering 337.87km^2 and 291.7km^2 respectively and valid for four years from 20 April 2018 and renewable twice for three years each time. The Sounkounkou Permit and the Bransan Permit are located either adjacent to, or in close proximity to the Sabodala Mining License. The Sounkounkou exploration permit is held 100% by SMC. The Bransan exploration permit comprises of Lot A, Lot B and Lot C. The Bransan Lot A permit is held 70% by SMC and a 30% ownership right is assigned to Senegal Nominees Limited ("**SNL**"). The Bransan Lot B and Lot C permits are held 100% by SMC.

The Sounkounkou Permit is subject to a specific agreement governing a joint venture between Axmin Ltd. ("**AXM**") and SMC which was signed on 30 September 2008 (the "**Axmin JV**"). The Axmin JV originally involved the Sounkounkou and Heremakono exploration permits which have been combined to form the new Sounkoukou Permit. When SMC reached its 80% equity position in the Axmin JV in 2011, the two parties renegotiated the agreement, and these revised terms were established:

- AXM elected not to participate in further development of the Gora resource. AXM retained the right to a 1.5% NSR from all production that results from the resource, or production from new discoveries that may arise in a defined 50km^2 block around Gora;
- AXM elected not to participate on a 20% basis on all identified targets and prospects as of that date. As of the date of this report, AXM has continued to elect its 1.5% NSR right on all identified targets and prospects across both exploration permits. New targets may be defined from regional work and added to this list as they arise;
- AXM retains a 1.5% NSR on any new targets and prospects on which they elect to not continue their 20% interest;
- In the case where both SMC and AXM are involved in the construction of a mine, the 10% free carried interest of the Republic of Senegal will be absorbed by both parties proportionally; and
- Presently, SMC can exit the joint venture at any time with 30 days' notice.

Bransan Lot A is subject to the "**Bransan Agreement**" which was signed on 4 July 2007, subsequent to SMC acquiring the original Bransan permit in October 2006. The agreement stipulates that the initial ownerships are 70% SMC and 30% SNL. SMC is responsible for 100% funding of the exploration work and is the manager. Once a discovery is made and a development decision is made, SNL has the right after 120 days to either: convert to a

contributing interest, in which case SNL will have to fund its share of the development costs; or not to convert to a contributing interest, in which case SNL will dilute to a 10% equity holding in the mine development with SMC's shareholding increasing to 90%.

SNL will only be entitled to receive benefits from production after SMC has recovered all of its joint venture and development costs. The start of mining will require the formation of a special purposes company, which will allow the GoS to receive its 10% equity stake. The equity ratios will be diluted proportionally to accommodate the Senegal equity. In the case where SNL has diluted: GoS 10%, SMC 81%, and SNL 9%.

All exploration permits are granted by ministerial decree and are subject to a Mining Convention signed with the GoS. The gold exploration permits are held in a combination of full SMC ownership and earn-in joint ventures where SMC is the funding and managing party. All permits (exploration or exploitation/mining) are linked to an executed mining convention with the Government of Senegal, which governs the mineral rights of the permit holder, and typically contain the following key terms: exclusive right to apply for an exploitation permit provided a feasibility study is completed; the GoS will be entitled to a 10% free carried interest in the mining operation; Senegalese import duty exemption on mining equipment, fuel, explosives, and chemicals.

Given the Sabodala Mining Convention executed 7 April 2015 and its provisions extending to SMC exploration permits, it is anticipated that exploration permits that move into production utilizing the SM CIL Plant will be considered satellite deposits and as such incorporated into it. As a result, the fiscal terms included under the Sabodala Mining Convention, including royalty and taxation rates as well as other fiscal incentives, are anticipated to be applied to these future.

The Massawa License is contiguous with the Sabodala Lot-A mining concession and covers an area of 320.2km^2. The Massawa License is valid for 20 years from 21 February 2020 and may be renewed for periods of five years at a time. Related to Massawa is the Kanoumba Permit which extends to the southwest of the Massawa License and covers 286km^2. It is valid for four years from 25 February 2020 and renewable twice for three years each time. The Kanoumba Permit is held 100% by the Group through its subsidiary Massawa (Jersey) Limited ("**MJL**").

Table 9-1: Sabodala-Massawa Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Sabodala Gold Operations SA	Sabodala	2015-1136	90.00	291.2	26/01/2025	4.1
Massawa SA	Massawa	2020-495	90.00	320.2	21/02/2040	19.1

The Sabodala Mining Convention granted all necessary surface rights to SGO to conduct exploration and mining activities at Sabodala. The Kanoumba Mining Convention granted all necessary surface rights to MSA to conduct exploration and mining activities at Massawa.

The 2015 Sabodala Mining Convention requires the use of Senegalese businesses to the extent available (clause 23.1), preferential use of local labour and the implementation of training and promotion programmes for Senegalese personnel. The Sabodala Mining Convention also requires annual financial contributions of US$1.6m per year for social purposes, comprising US$1.2m per year for the social development of local communities of the Kédougou and Tambacounda regions; US$350k per year for training; and US$30k per year for logistical support for the territorial administration of the Kédougou region.

The 2020 Massawa Mining Convention requires the payment of at least US$150k per year during the construction phase and 0.5% of turnover (excluding tax) per year during the operating phase for social development projects. The Massawa Convention also requires contributions to institutional support, including US$150k per year during the construction phase and US$250k per year during the operations phase. The operator is also committed to local

employment, use of local service providers and equal pay for men and women of equal qualification.

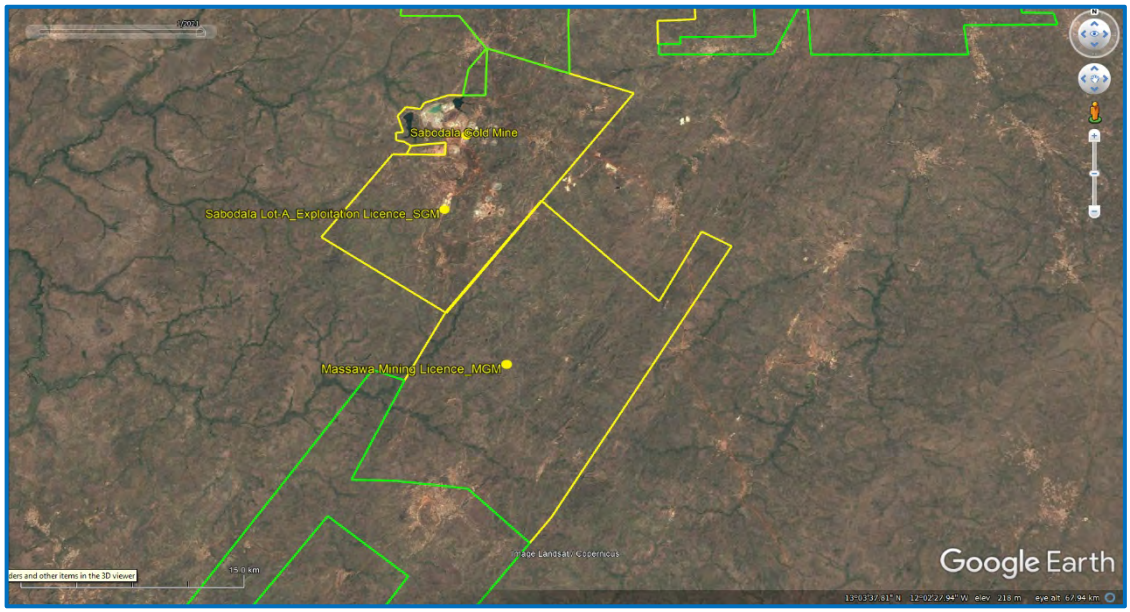
The Senegalese mining code (Law No.27/2016 of 17 October 2016) confers rights and obligations on mining permit holders for the occupation of land inside and outside the lease perimeter. The right of occupation entails the authorisation to conduct exploitation works and related activities, including all infrastructure works and operations for mine development. These rights are also reflected in the Sabodala Mining Convention and Massawa Mining Convention.

In 2014, the Group completed a gold stream transaction with Franco-Nevada. Due to the Massawa acquisition and the resulting commingling of Massawa ore with Sabodala ore, a commingling plan was put in place and Teranga agreed with Franco-Nevada to deliver a fixed number of ounces during a fixed delivery period on future gold production. As the revised mine plan for Sabodala-Massawa prioritized processing of ore mined from the Massawa deposits and Franco-Nevada was not to be disadvantaged by any such commingling or displacement of Sabodala ore, the Group and Franco-Nevada are in advanced discussions on a proposed fixed delivery schedule of 783.33 ounces per month up to 31 October 2031 (the "**Fixed Delivery Period**"). This proposed fixed delivery schedule was based on the expected total number of gold ounces that would have been delivered to Franco-Nevada calculated solely on a Sabodala standalone life of mine plan.

Pursuant to the completion of the acquisition of Massawa, SGO was required to make an initial payment totalling US$15m related to the waiver of the right for the GoS to acquire an additional equity interest in the exploitation of the Massawa deposits (the "**Massawa Waiver**"). An additional payment will become due when the actual cumulative production from the Massawa deposits, net of GoS royalties, multiplied by SGO's weighted average gold prices and by 1%, exceeds the initial payment.

On 4 October 2013, Teranga completed the acquisition of Oromin Explorations Ltd. ("**Oromin**") which held a 43.5% participating interest in a joint venture, the Oromin Joint Venture Group ("**OJVG**"). The OJVG held a 90% interest, along with 10% held by the government of Senegal, in a 212.6km^2 mining concession contiguous with the Sabodala Mining License awarded to the OJVG through the same bid process announced in October 2004. In accordance with various agreements relating to the OJVG, the Sabodala-Massawa Gold Mine is subject to additional payments pertaining to the OJVG, hereinafter the "**OJVG Waiver**" whereby recovered gold (88.03%) from the Masato, Golouma West, Kerekounda, Maki Medina, Niakafiri SE (17%) and Goumbati West are subject to a 1% payment of post government (95%) royalty ounces.

Figure 9-2: Sabodala-Massawa Gold Mine mineral tenure map



Historical Development

The Sabodala deposits was discovered by BRGM in 1961. Subsequently, from 1961 to 1998, BRGM, a Soviet-Senegal joint venture, a Société Minière de Sabodala/Page Mining Ltd. joint venture, and Eximcor-Afrique SA conducted exploration programs including geological mapping, geochemical sampling, metallurgical studies and limited exploitation. The only historic operation at the site was by Eximcor-Afrique SA in 1997-98, which mined and stockpiled 80kt of which 38kt at a grade of 4.4g/tAu were processed in a 200ktpa plant, producing approximately 4.4koz of gold.

In 2004, the government of Senegal announced that the Sabodala area was available for international open tender and Mineral Deposits Limited ("**MDL**"), an Australian-based publicly traded mining company, submitted a competitive bid on the Sabodala Licence which was subsequently awarded to MDL. The Sabodala Mining Convention was executed on 23 March 2005 and exploration drilling commenced on 29 June 2005. Subsequently, a supplementary deed to the Sabodala Mining Convention was executed on 23 January 2007. On 2 May 2007, MDL received mining concession status for the Sabodala Gold project by decree of the president of Senegal. Construction and development of the Sabodala Mine and plant occurred throughout 2008 with full commissioning occurring in early 2009 and with first gold poured in March 2009. On 23 November 2010, Teranga completed the indirect acquisition of the Sabodala gold mine and a regional exploration package by way of a restructuring and demerger from MDL.

On 4 October 2013, Teranga completed the acquisition of Oromin. Subsequent to its acquisition of the OJVG, Teranga executed the new Sabodala Mining Convention with the GoS which further expanded the Sabodala Mining License to 291.2km^2 with the inclusion of the Gora gold project. On 29 January 2016, a Presidential Decree extended the term of the Sabodala Mining License to 26 January 2025.

From December 1996 to January 2000, AngloGold Ashanti Limited ("**AAL**") conducted regional geochemistry, sampling and mapping, airborne surveying, and drilling over selected targets covering the Massawa permits. Randgold discovered the Massawa gold deposit in early 2004 utilizing soil surveying methods. The ground was selected based on a mineralised structure that was interpreted from Landsat imagery to extend south from the Sabodala gold deposit and

Niamia Permit in the north. A total of eleven targets were identified, among which seven were ranked as a priority for detailed work. Other than the regional soil geochemistry from AngloGold Ashanti, all of the work at the Sofia deposit was completed by Randgold Resources Limited ("**Randgold**") over several years of exploration. The Delya deposit was discovered in early 2004 by a regional soil survey.

On 4 March 2020, Teranga acquired a 90% interest in MSA from a wholly-owned subsidiary of Barrick and its joint venture partner, Compagnie Sénégalaise de Transports Transatlantiques Afrique de l'Ouest SA ("**CSTTAO**") with the GoS holding the remaining 10% interest in MSA.

Historical production from 2009 through 2020 reports total ore mined of 48.3Mt grading 1.88g/tAu and processing of 39.8Mt grading 2.08g/tAu to produce 2.4Moz of gold at an average recovery of 90.9%.

Table 9-2: Sabodala-Massawa Gold Mine historical production (2009 through 2029)

Year	Mined	Waste	Ore			S.R	Milled			Recovery	Produced
	(kt)	(kt)	(kt)	(g/tAu)	(koz)	(t_{waste}:t_{ore})	(kt)	(g/tAu)	(koz)	(%)	(koz)
2009	11,781	9,144	2,637	2.19	186	3.47	1,806	3.12	181	92.2	167
2010	16,114	13,199	2,915	1.80	169	4.53	2,285	2.12	156	90.5	141
2011	25,791	21,818	3,973	1.39	177	5.49	2,444	1.87	147	89.2	131
2012	28,877	22,961	5,916	1.98	376	3.88	2,439	3.08	242	88.6	214
2013	34,778	30,238	4,540	1.62	237	6.66	3,152	2.24	227	91.2	207
2014	29,322	23,148	6,174	1.54	305	3.75	3,622	2.03	236	89.7	212
2015	31,631	23,883	7,748	1.22	303	3.08	3,421	1.79	197	92.4	182
2016	37,423	35,291	2,132	2.66	182	16.55	4,025	1.81	234	92.6	217
2017	37,486	35,385	2,101	3.48	235	16.84	4,221	1.87	254	91.8	233
2018	37,268	35,347	1,921	3.62	223	18.40	4,069	2.03	266	92.3	245
2019	33,886	30,977	2,909	2.15	201	10.65	4,161	1.98	265	91.0	241
2020	34,279	28,990	5,288	1.87	318	5.48	4,122	1.94	257	89.1	229
Total	**358,636**	**310,381**	**48,254**	**1.88**	**2,914**	**6.43**	**39,767**	**2.08**	**2,661**	**90.9**	**2,419**

Historical Operating Performance

Table 9-3 presents a summary of the technical and economic performance for Sabodala-Massawa Gold Mine reflecting all revenue and expenditures incurred following acquisition by the Company and for 2015 through 2020.

Since 2015 Sabodala-Massawa Gold Mine has mined total ore of 22.1Mt at a grade of 2.06g/tAu with an accompanying stripping ratio of 8.5t_{waste}:t_{ore}. Processing operations reported 24.0Mt grading 1.91g/tAu to produce 1,348koz of gold indicating an overall recovery of 91.5% to enable sales of 1,348koz at an overall AISC of US$910/oz. Total capital expenditures (excluding working capital movement) are reported at US$324.3m. In summary, Sabodala-Massawa Gold Mine has significantly increased its production capacity achieving throughput of 4.2Mt in 2017. Total operating profit and total pre-tax pre-finance cashflow over the period reports US$855.8m and positive US$531.6m.

For the 12-month period ending 31 December 2020 Sabodala-Massawa Gold Mine processed 4.12Mt grading 1.94g/tAu with a recovery of 89.1% resulting in gold production of 229koz. Total sales in 2020 reported 226kozAu with accompanying AISC of US$950/oz. Financial performance statistics for 2020 indicate operating profit of US$213.3m and pre-tax pre-finance cashflows of US$145.7m.

Table 9-4 presents a summary of historical performance and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 310kozAu to 330kozAu; AISC US$857/oz to US$957/oz; and total capital expenditure (excluding working capital) of US$120.0m (growth capital expenditure of US$25.0m; non-sustaining capital expenditure of US$47.0m; sustaining capital expenditure of US$35.0m; and exploration expenditure of US$13.0m).

Table 9-3: Sabodala-Massawa Gold Mine historical performance[(1)]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	8.5	3.1	15.7	16.8	18.4	10.6	5.4
Mined	(Mt)	209.87	31.63	35.64	37.49	37.27	33.89	33.95

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Waste	(Mt)	187.77	23.88	33.51	35.39	35.35	30.98	28.67
Ore	(Mt)	22.10	7.75	2.13	2.10	1.92	2.91	5.29
	(g/tAu)	2.06	1.22	2.66	3.48	3.62	2.15	1.87
	(kozAu)	1,464	304	182	235	224	201	318
Processing	(Mt)	24.02	3.42	4.03	4.22	4.07	4.16	4.12
	(g/tAu)	1.91	1.79	1.81	1.87	2.03	1.98	1.94
	(kozAu)	1,472	197	234	254	266	265	257
Recovery	(%)	91.5	92.6	92.5	91.9	92.3	91.1	89.1
Production	(kozAu)	1,348	182	217	233	245	241	229
Sold	(kozAu)	1,348	193	218	231	246	234	226
Financial								
Revenue								
Gold Price	(US$/oz)	1,349	1,163	1,235	1,262	1,270	1,364	1,778
Revenue	(US$m)	1,818.5	224.6	268.9	291.7	312.6	318.5	402.3
Operating Expenditure								
Mining	(US$m)	(555.9)	(77.4)	(87.2)	(94.5)	(100.6)	(96.1)	(100.1)
Processing	(US$m)	(281.1)	(47.9)	(43.1)	(47.9)	(52.7)	(46.6)	(42.9)
Site G&A	(US$m)	(116.0)	(15.9)	(17.5)	(17.6)	(21.0)	(19.1)	(24.9)
Regional G&A	(US$m)	-	-	-	-	-	-	-
Refining, Transport, By-product	(US$m)	(6.6)	(0.9)	(0.8)	(1.2)	(0.8)	(0.8)	(2.0)
Royalty + SDF	(US$m)	(116.2)	(13.3)	(16.9)	(19.2)	(21.0)	(20.6)	(25.3)
Capitalised Waste	(US$m)	134.7	14.5	18.5	29.4	40.1	25.7	6.5
Inventory Movement (cash)	(US$m)	(21.7)	16.6	11.7	(15.8)	(14.5)	(19.4)	(0.3)
Total	**(US$m)**	**(962.7)**	**(124.3)**	**(135.4)**	**(166.7)**	**(170.6)**	**(176.8)**	**(189.0)**
Operating Profit	**(US$m)**	**855.8**	**100.4**	**133.5**	**125.0**	**142.0**	**141.7**	**213.3**
Capital Expenditure								
Growth & Exploration	(US$m)	(26.8)	-	-	-	-	-	(26.8)
Sustaining	(US$m)	(128.9)	(32.9)	(32.7)	(25.1)	(9.9)	(8.7)	(19.6)
Non-Sustaining	(US$m)	(33.9)	-	-	-	(8.1)	(11.0)	(14.8)
Capitalised Waste	(US$m)	(134.7)	(14.5)	(18.5)	(29.4)	(40.1)	(25.7)	(6.5)
Working Capital Movement	(US$m)	-	-	-	-	-	-	-
Total	**(US$m)**	**(324.3)**	**(47.5)**	**(51.2)**	**(54.6)**	**(58.1)**	**(45.3)**	**(67.6)**
Pre-Tax Pre-Finance Cashflow	**(US$m)**	**531.6**	**52.9**	**82.3**	**70.5**	**83.9**	**96.3**	**145.7**
Unit Rates								
Mining	(US$/$t_{mined}$)	2.65	2.45	2.45	2.52	2.70	2.84	2.95
Processing	(US$/$t_{proc}$)	11.70	14.02	10.70	11.34	12.95	11.19	10.41
Site G&A	(US$/$t_{proc}$)	4.83	4.64	4.34	4.16	5.17	4.58	6.05
Regional G&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	39.67	41.28	36.72	37.89	42.84	38.88	40.74
Refining, Transport, By-product	(US$/oz)	4.9	4.7	3.7	5.1	3.4	3.3	9.0
Royalty + SDF	(%)	6.4	5.9	6.3	6.6	6.7	6.5	6.3
AOC	(US$/oz)	714	643	622	721	693	757	835
AISC	**(US$/oz)**	**910**	**889**	**857**	**957**	**897**	**904**	**950**
AIC	(US$/oz)	855	813	772	830	767	842	1,105
Total Costs	(US$/oz)	955	889	857	957	929	952	1,134

(1) All information sourced from public domain reporting data.

Table 9-4: Sabodala-Massawa Gold Mine: historical and current guidance(1)

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	200-215	200-215	205-225	215-230	215	310-330
AISC(1)	(kozAu)	900-975	900-975	1,000-1,075	900-975	875-950	690-740
Growth	(US$m)	-	-	-	-	-	25
Sustaining	(US$m)	8-10	32-37	10-15	10-15	15-20	35
Non-Sustaining	(US$m)	22-25	-	2	15-20	10-15	47
Exploration	**(US$m)**	3	-	-	-	-	13

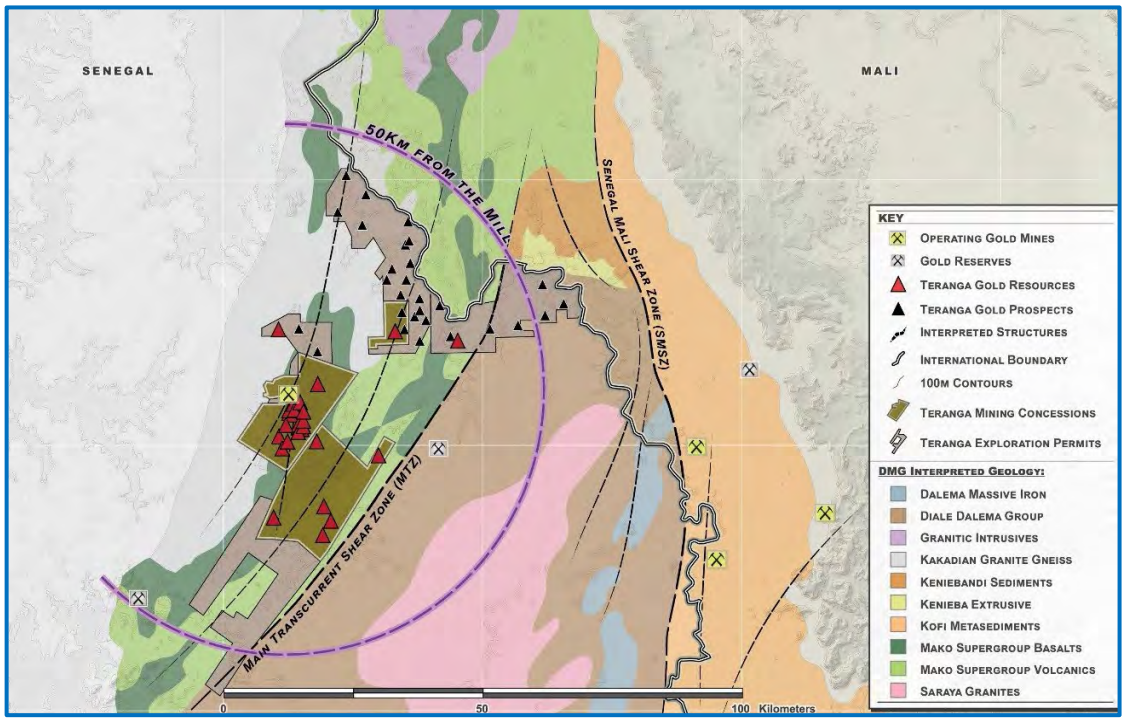
(1) AISC estimate reflect the Company's reporting policy at the time of reporting.

9.3 Geology and Mineral Resources

9.3.1 Regional and Deposit Geology

The Sabodala-Massawa Gold Mine deposits (Figure 9-8) are located in the West African Craton, within the Kedougou-Kenieba Inlier. Mineralisation is hosted by two major divisions of the Inlier; the volcanic-dominated Mako Supergroup to the west, and the sediment-dominated Diale-Dalema Supergroup to the east. The Mako Supergroup consists mainly of tholeiitic basalts and andesitic lavas (massive and pillowed flows) with minor komatiitic units interbedded with volcanoclastic sediments (pyroclastic banded tuffs and agglomerates), quartzite and chert as well as ultramafics, dolerites, and gabbros. The Diale and Dalema Supergroups are characterised by folded sandstones and siltstones interbedded with calc-alkaline ash and lapilli tuffs that are more pelitic and siliceous in the Diale Group and more calcareous in the Dalema Group.

Figure 9-3: Sabodala-Massawa Gold Mine: schematic geology and endowment of the Kedougou-Kenieba Inlier

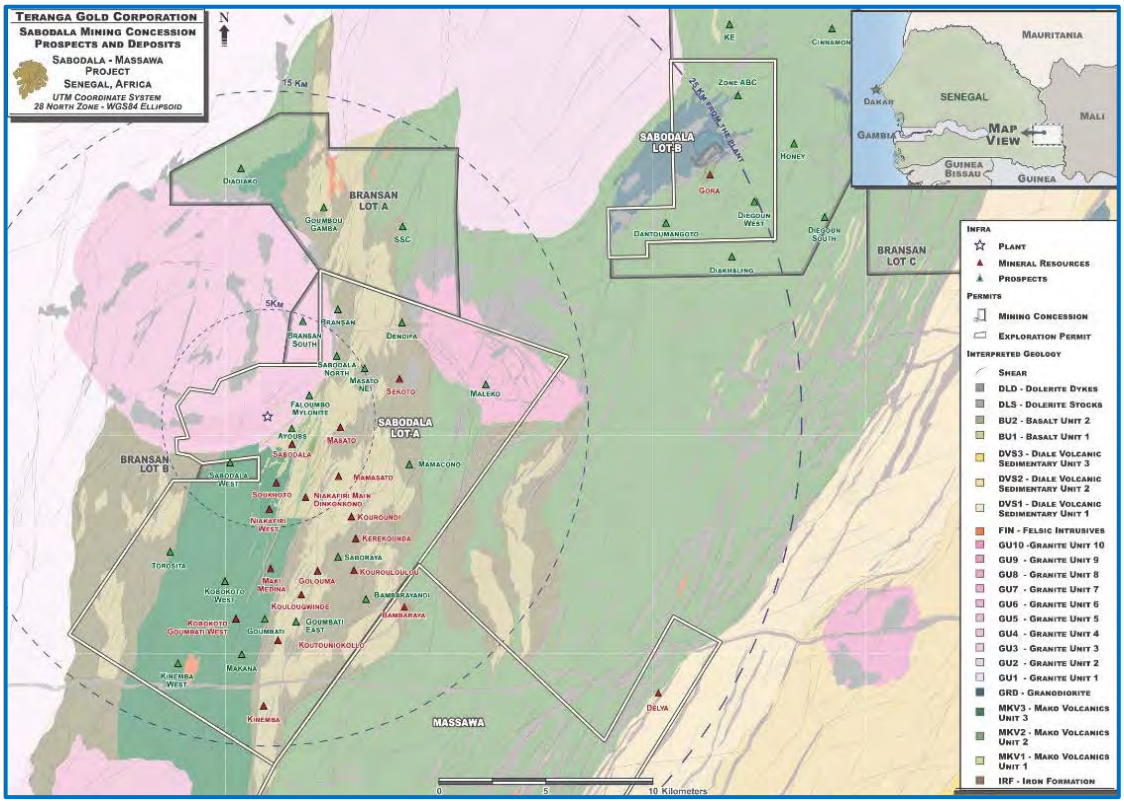


The Mako and Diale-Dalema supracrustal sequences are intruded by a series of variably deformed granitoid intrusions. These include the Karkadian Batholith, which bounds the Mako Belt to the west, and several major large stocks in the central Mako Belt. Northeast trending intermediate to felsic and later, post-tectonic mafic dykes are present throughout the region, the latter forming prominent linear magnetic features. Felsic and intermediate composition dykes are often spatially associated with shear zones hosting gold mineralisation, and locally are host to significant gold mineralisation themselves.

Major crustal shear zones regionally bound and influence the overall north-northeast trend in the region. These include a north-northeast trending shear zone which is interpreted to form a boundary between the Mako and Diale-Dalema Supergroups which is termed the Senegal-Tombo Shear Zone or Main Transcurrent Shear Zone ("**MTZ**"). High strain zones and apparent truncations of lithologic features at Sabodala and Sounkounkou suggest the presence of second and third order shear zones, which likely control the gold mineralisation. The structures wrap around major intrusions, and northwest trending linking structures between major shear zones are also present. All of these structures either host or form prospective sites for gold deposit formation.

The deposits (Figure 9-4) are broadly subdivided into three project areas, namely the Sabodala Licence), the Massawa Licence, and the Sabodala-Massawa Exploration Permits. All deposits for which Mineral Resources are reported, are within the Sabodala Licence and Massawa Licence.

Figure 9-4: Sabodala-Massawa Gold Mine: prospects and deposits



Within the Sabodala Licence, lithologies generally trend north-northeast to northeast with steep dips, although local variations are apparent. Lower greenschist grade metamorphic assemblages affect all lithologies. The sequence is dominated by mafic volcanics, with intercalated interflow sediment horizons. The most prominent are a cherty horizon (termed mylonite), and narrow carbonaceous (graphitic) mudstone-siltstone horizons, which are locally sheared. Ultramafic and mafic dykes and sills are present throughout. These include at least two phases of porphyritic dykes of intermediate to felsic composition that preferentially intrude along shear zones in altered ultramafic units and mineralised shear zones. These can be up to 10m thick. Later, barren mafic dykes, of up to several tens of meters thickness trend parallel to the lithologies, but these often overprint mineralisation and other gold hosting structures.

Principal structures on the Sabodala Licence form a steeply west-northwest dipping, north-northeast trending shear zone network, which has previously been referred to as the Sabodala Shear Zone. The north-northeast trending shear zones likely represent first and second order structures of regional scale to first order features such as the MTZ , while the northwest trending shear zones may be third order features that accommodate strain between these higher order features.

Within the Massawa Licence, the stratigraphy is dominated by a package of volcaniclastic rocks to the west, and a package of greywackes to the east. Bedding typically strikes at 210° (± 10°), with a steep dip of between 75° to 80° toward the west. Several igneous rocks including sills of gabbro, felsic intrusions, and feldspar (and/or quartz-feldspar) porphyries intrude this dominantly clastic sequence. The volcaniclastics are typically agglomerates, lapilli tuffs, tuffs, ash-tuffs, and fine-grained carbonaceous ash-tuffs. The greywackes are typically felsic and lithic in composition, with fine-grained layers at the top of the sequence with coarser units at the base. Graded bedding is common.

Mineralisation is often associated with the contacts between lithologies and increasing brittle-

ductile strain. High grades are more associated with high strain environments, and with the presence of arsenopyrite. The continuity of the gold grade is associated with alteration style, deformation intensity, and the presence of intrusive contacts. Gold is often hosted in brecciated zones, along with extensional and shear veins. Typically, moderate to strong silica-carbonate alteration and sulphides are present.

Mineralisation within the Sabodala Licence and the Massawa License and exploration permits is classified as orogenic gold deposits. This covers a range of styles of mineralisation, with the localisation of the gold being controlled by the metamorphic grade, tectonic setting, fluid type, and pressure. The mineralisation is often associated with quartz shear veins, extension vein arrays, shear zones, and disseminated sulphides. Mineralisation is typically associated with greenschist metamorphic grade and vein dominated styles. The typical mineralogy of the gold bearing mineralisation is quartz-carbonate ± albite ± K-feldspar veins with up to 10% (pyrite ± arsenopyrite ± base metals) sulphides. Alteration assemblages are typically dominated by Fe-carbonate albite, chlorite, scheelite, fuchsite and tourmaline. Table 9-5 includes descriptions of each of the deposits, for a which a Mineral Resource has been reported.

9.3.2 Exploration Activity

Sabodala License and nearby exploration permits

In 1961, BRGM conducted initial exploration work on Sabodala which resulted in the discovery of the Sabodala deposit. From 1971 to 1994, subsequent follow up drilling was undertaken by BRGM and various joint venture partners to further delineate mineralisation. In October 2005, Worley Parsons GPX conducted an airborne survey on 100m line spacing, acquiring magnetic, radiometric and digital terrain data covering the near mine, Faleme, and 60% of the Dembala Berola exploration projects. In 2007, Fugro Airborne Surveys (Pty) Limited flew an aeromagnetic and radiometric survey over eastern Senegal, on 250m spaced lines on a 135° azimuth, at a survey height of 80m. This survey provided coverage over the remaining parts of the exploration permits. A dipole-dipole IP survey was also completed over the mine lease during 2008. Since 2008, cathedral termite mound sampling was adopted as the preferred regional geochemical sampling approach, in conjunction with soil and rock chip sampling. Regional and prospect scale mapping was also undertaken on all exploration project areas and the Sabodala Mining License.

Initial exploration work on the OJVG exploration permit commenced in 2005 by Oromin. Ongoing expansion and exploration drilling programs continued and was reported in a pre-feasibility study in 2009, an updated pre-feasibility study in 2010 and a feasibility study in 2010. Exploration from 2010 to 2011 consisted largely of infill and step-out expansion drilling with some trenching. The 2012 exploration program consisted of prospecting, mapping, and manual trenching in underexplored areas of the mine license, which generated new prospective targets. As of 2013, OJVG had successfully advanced a total of fourteen deposits to the stage of Mineral Resource estimation and identified a significant number of gold-in-soil geochemical anomalies. Between 2014 and 2018, exploration consisting of soil sampling, mapping, trenching and drilling, focused on 20 targets within the regional exploration permits and 19 targets on the combined Sabodala License area.

No exploration was undertaken during 2018 on the Sabodala License, with activities restarting during 2019 focused on sterilization drilling at the Maki Medina deposit and continued exploration at Goumbati West – Kobokoto deposits. The Maki Medina sterilization included the completion of 17 RC drill holes totalling 612m. At Goumbati West – Kobokoto, a detailed gridded soil program and excavator-trenching program was undertaken to the south and east. This was based on a structural interpretation that the deposit southern extension may have

been structurally offset in an eastward direction. Also, in 2019, a detailed in-pit and near-pit drilling program was conducted in and around the area defined as a Mineral Resource at Goumbati West – Kobokoto deposit. This comprised 81 holes, totalling 2,623m of RC drilling and was completed early in 2020 with the drilling of an additional 39 RC holes totalling 2,640m. No additional exploration work was undertaken within the Sabodala Mining License or regional exploration permits in 2020.

Massawa License and nearby exploration permit

From December 1996 to January 2000, AngloGold Ashanti Limited conducted regional exploration programs on the Massawa property. In 2004, Randgold conducted soil sampling programs over the property, which returned anomalous results over the Massawa Central and North Zones, Sofia, Delya and Bambaraya prospects. The Tina prospect was identified in 2007. Exploration continued through to 2018 with additional soil and rock chip sampling, trenching, mapping and drilling to further delineate previous positive results. Prior to Teranga's acquisition of the Massawa property, Barrick and Randgold had drilled 6,512 diamond core, RC, and RAB drill holes totalling 545,643m within the current property boundary.

A drilling campaign commenced on the Massawa License shortly after Teranga acquired the Massawa project in 2020. A total of 48,015m from 552 holes were drilled at Sofia Main and Sofia North, with the aim of improving confidence and expanding the Mineral Resources. Sterilisation drilling was also conducted to support infrastructure and waste dump area design areas. Further drilling in 2020 at the Massawa Central Zone and Massawa North Zone deposits aimed to upgrade and increase Mineral Resources and provide support for metallurgical testing; and at the Samina and Tina prospects for Mineral Resource definition and expansion.

Table 9-5 presents a summary of the drilling conducted by deposit, as used to support the reported Mineral Resources.

Table 9-5: Sabodala-Massawa Gold Mine: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
Sabodala	1,428	280,298	20m to 40m by 10m to 80m	13	46		41
Masato	588	97,895	10m to 80m by 10m to 100m	36	61		3
Golouma	606	131,634	20m to 40m by 10m to 40m	58	40		2
Kerekounda	194	44,532	20m to 30m by 10m to 60m	46	54		
Maki Medina	148	20,172	30m to 40m by 20m to 50m	51	49		
Niakafiri East	414	58,609	20m to 80m by 20m to 40m	36	47		17
Niakafiri West	149	20,795	20m to 40m by 20m to 40m	43	54		3
Goumbati West - Kobokoto	394	35,341	40m by 20m to 40m	56	44		
Golouma North	66	8,045	20m by 40m by 20m to 40m	100			
Diadiako	46	8,161	100m by 20m to 100m	20	70		10
Kinemba	33	5,677	35m to 40m by 30m to 60m	24	76		
Kouroulou	172	28,198	15m to 20m by 10m to 30m	63	30		7
Kouroundi	14	2,005	40m by 15m to 40m	100			
Koutouniokolla	37	5,678	20m to 60m by 15m to 60m	76	24		
Mamasato	50	9,033	30m to 60m by 20m to 60m	84	16		
Marougou	80	14,393	200m by 40m to 80m	24	76		
Sekoto	26	3,064	40m by 45m	46	54		
Soukhoto	13	1,587	40m by 20m to 40m	31	62		7
Sofia	1,686	108,890	10m to 50m by 10m to 50m	7	93		
Massawa CZ	2,463	251,273	5m to 30m by 5m to 30m	8	92		
Massawa NZ	872	102,496	10m to 40m by 5m to 60m	30	70		
Delya	202	17,159	20m to 50m by 15m to 40m	9	91		
Tina	24	1,967	70m to 200m by 50m to 70m	79	21		
Bambaraya	32	3,866	50m to 130m by 20m to 50m	31	69		
Total	**9,737**	**1,260,768**		**23**	**69**	**-**	**7**

9.3.3 Quality and Quantity of Data

The historical (pre-2010) drilling programs completed for each deposit, considered the drilling, sampling, assaying and data collection methodologies to be acceptable and in line with industry standards, and appropriate to the style of mineralisation of the individual deposits. The drilling and sampling conducted was at these times considered appropriate to inform the geological, grade, and tonnage models, which underpin the Mineral Resources reported.

Current sample preparation (post 2010), analysis, and security procedures are supervised by

the Group's geologists. Historical procedures, prior to acquisition, were also reviewed by the Group's geologists, and considered to be appropriate. For RC drilling, at both Sabodala Licence deposits and Massawa Licence deposits, 1 sample was taken for each 1m interval drilled. For RAB drilling, 1 sample was taken for each 2m drilled interval. Jones riffle splitters were used at the drill site to obtain a representative sub-sample. Drill core sampling intervals were defined by the Group's geologists, then cut in half with a diamond saw along the core length. Half core samples were taken over approximate 1m lengths or based on lithology intervals. All samples were placed into sample bags with assigned sample numbers, then closed, sealed, and inserted into larger rice bags that were also securely sealed.

For the Sabodala deposits, diamond drill core, RC, RAB, soil, and grab samples were primarily sent for gold analysis at the on-site laboratory operated by SGS Minerals. SGS Sabodala is accredited to the ISO/OEC 17025:2005 Standard by laboratory Certificate number 812. Samples received by the on-site SGS laboratory were transferred into stainless steel trays, coded with sample system identification numbers, dried at 105°C for eight hours, and crushed in a jaw crusher to minus 2.0mm. Crushed samples were split using a Jones riffle to 200g. The 200g sub-sample was pulverized with a ring and puck pulveriser to 85% minus 75µm (200 mesh). Compressed air was used to clean the crusher and splitter between samples, with crushing of barren quartz for additional cleaning as required. Sub-samples of 50g were analysed for gold using an aqua regia digestion followed by AAS.

ALS Chemex in Johannesburg, South Africa, has been used as the primary fire assay laboratory for check assaying of the Sabodala samples. ALS Chemex Johannesburg is accredited to the ISO/IEC 17025:2005 Standard by laboratory Certificate number T0387. Upon receipt at the laboratory, samples were dried at 105°C for eight hours and crushed in a jaw crusher to minus 2.0mm. The crushed samples were riffle split to 250g, then pulverized to 85% minus 75µm (200 mesh). Sub-samples of 50g were analysed for gold using fire assay with an atomic absorption finish and a 5.0ppb detection limit. Assay results greater than 1.0g/tAu were automatically re-assayed by fire assay with a gravimetric finish.

For the Massawa deposits, sample preparation included weighing, drying, and crushing to 2mm. A 250g or 1,000g split (for fire assay and bottle roll analysis respectively) was pulverised to P85 of 75µm mesh. Sample analysis at the Massawa deposits evolved over time and varied slightly by deposit. For the Massawa NZ and satellite deposits, samples were assayed at the on-site laboratory at the Loulo mine in Mali, operated by SGS Minerals by conventional 50g fire assay with AAS finish. A gravimetric finish was used for samples reporting above 100g/tAu. Massawa CZ samples were analysed at SGS Ouagadougou in Burkina Faso by Leachwell bottle roll analysis followed by a 50g fire assay of the remaining tail concentrate. The Sofia deposit samples were analysed at the SGS Loulo laboratory or SGS Bamako laboratory also located in Mali. SGS Bamako was essentially used for sample overflow. Samples were analysed using 50g fire assay with AAS finish, and a gravimetric finish for samples reporting above 100g/tAu. At the time of processing, all laboratories were certified, and operated independently by SGS.

In addition to the standard internal laboratory quality control measures employed, a blind QA/QC program was established for both Sabodala and Massawa. This comprised geological standards, blanks, and duplicate samples inserted into the sample stream at regular intervals. Results reported have indicated no evidence of contamination, reasonable to good correlation between original and duplicate samples and no significant issues with specific sample batches or long-term biases.

Through the development of both the Sabodala and Massawa deposits, various independent

and internal reviews of the procedures in place have been undertaken. These have covered aspects such as general knowledge and practices, laboratory facilities, sample preparation, analysis and security and QA/QC procedures; drilling programs including standard operating procedures, collar and downhole surveys, logging and sampling; geological interpretation, assay verification, density determinations and data management. No significant discrepancies were identified during these reviews, although recommendations were made. Overall, the methodologies put in place, and the database produced as a result, were considered to be of sufficient quality to support the subsequent Mineral Resource estimates.

9.3.4 Mineral Resource Estimation

Mineral Resources for the Sabodala-Massawa Gold Mine are estimated for 25 gold deposits and prospects located on the Sabodala Licence and Massawa License, and the Bransan exploration permit. A summary of the estimation parameters are presented in Table 9-6.

Geological Domaining, Block Modelling and Interpolation

Wireframe models (Figure 9-5; Figure 9-6; Figure 9-7) were generated from logged drill hole data for oxidation state, mineralisation and significant lithologies. These wireframes were used for domaining for both grade estimation, and for assigning density values for tonnage estimation. Wireframe modelling was completed using Vulcan, Micromine or Leapfrog software. Grade and tonnage estimation was completed using Vulcan, Surpac or GEMS software. A modelling threshold of either 0.2g/tAu or 0.5g/tAu was typically applied for mineralisation models, along with a minimum width of 2m. Classical statistics for raw gold assays were analysed for modelled mineralised zones to determine appropriate gold grade capping levels. Capping levels were applied either to assays prior to compositing to 1m. Capping aimed to reduce the impact of high-grade outliers for all deposits. Composites were generated inside mineralisation wireframes. Gold assay results reported below the detection limit were assigned half the detection limit. For most mineralisation wireframes, non-logged and unsampled intervals were assigned a grade of 0.0g/tAu prior to compositing.

Block gold grades were estimated using the Ordinary Kriging, Inverse Distance Weighting Squared, IDW^3 or Nearest Neighbour, a summary of the interpolation approach per deposit is presented in Table 9-7. Except for the Nearest Neighbour estimates, blocks were estimated using multiple search ellipsoid passes using increasingly larger search radii. The initial search pass rotation parameters were either based on the modelled variograms or on visual assessments of the grade and geological continuity.

The resultant block models were validated using a variety of techniques. These includes visual checks on plan, section and long section, by comparing the block grades to the composite grades, statistical comparisons of the composite grades and block model grades, the production of swath plots, volumetric comparisons of the block model with the modelled wireframes, and the running of block model estimates with different estimation methods.

Table 9-6: Sabodala-Massawa Gold Mine: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Sabodala	sectional wireframes; min. 2m width, 0.2g/tAu threshold	770mX by 1,260mY; to 650m depth; partially open downdip north	000°/-10°west, 010°/-60west, 125°/-25northeast, sub horizontal deep zones; 2m to 40m width
Masato	sectional wireframes; min. 2m width, 0.2g/tAu threshold	850mX by 2,100mY; to 710m depth; open downdip west	000°/-45° to -70°west, 740m dlen; 2m to 120m width
Golouma	sectional wireframes; min. 2m width, 0.2g/tAu threshold	1,300mX by 1,460mY; to 900m depth; open downdip northwest	025°/-60°northwest, 110°/-70°south to -90°, 130°/-80°southwest to -90°, 915m dlen; 2m to 20m width
Kerekounda	sectional wireframes; min. 2m width, 0.2g/tAu threshold	410mX by 400mY; to 520m depth; open downdip southwest	155°/-45° to -60°southwest, 620m dlen; 2m to 10m width
Maki Medina	sectional wireframes; min. 2m width, 0.2g/tAu threshold	370mX by 1,770mY; to 170m depth; open downdip west	000°/-45°west to -80°west, 210m dlen; 2m to 25m width
Niakafiri East	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	370mX by 3,050mY; to 290m depth; open subvertical downdip	000°/-60°west to -90°, 315m dlen; 2m to 65m width

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Niakafiri West	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	550mX by 1,000mY; to 210m depth; open sub vertically downdip	355°/-70°west, 215m dlen; 2m to 30m width
Goumbati West - Kobokoto	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	1,600mX by 2,160mY; to 140m depth; open downdip west-northwest	040°/-40°northwest, 015°/-40° to -75°west, 230m dlen; 2m to 15m width
Golouma North	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	1,080mX by 710mY; to 100m depth; open downdip northwest	045°/-45°northwest, 030°/-50northwest, 125m dlen; 2m to 15m width
Diadiako	sectional wireframes; min. 2m width, 0.2g/tAu threshold	800mX by 800mY; to 200m depth; open downdip southeast	040°/-25°southeast, 430m dlen; 2m to 10m width
Kinemba	sectional wireframes; 0.2g/tAu threshold	250mX by 530mY; to 165m depth; open downdip southwest	000°/-80°west to -90°, 170m dlen; 2m to 15m width
Kourouloulou	sectional wireframes; 0.2g/tAu threshold	250mX by 320mY; to 300m depth; partially open downdip southwest	120°/-70°southwest, 340m dlen; 2m to 7m width
Kouroundi	sectional wireframes; 0.2g/tAu threshold	220mX by 180mY; to 100m depth; open downdip southwest	140°/-45°southwest, 125m dlen; 2m to 10m width
Koutouniokolla	sectional wireframes; 0.2g/tAu threshold	180mX by 190mY; to 180m depth; open downdip	120°/-70°northeast, 150°/-80west, 190m dlen; 2m to 15m width
Mamasato	sectional wireframes; 0.2g/tAu threshold	760mX by 300mY; to 190m depth; open downdip north	080°/-50°north, 250m dlen; 2m to 15m width
Marougou	sectional wireframes; 0.2g/tAu threshold	1,020mX by 1,800mY; to 160m depth; partially open downdip northwest	025°/-30°west, 275m dlen; 2m to 15m width
Sekoto	sectional wireframes; 0.2g/tAu threshold	200mX by 360mY; to 200m depth; open downdip northwest	030°/-65° to -75°west, 200m dlen; 2m to 30m width
Soukhoto	sectional wireframes; min. 2m width, 0.2g/tAu threshold	190mX by 120mY; to 65m depth; uncertainty in trend and dip	000°/-40°west (undetermined trend), 135m dlen (estimated); 2m to 25m width (estimated)
Sofia	Leapfrog veins; min. 2m width, 0.5g/tAu threshold	1,700mX by 3,800mY; to 195m depth; open downdip to west-northwest	000° to 040°/-35°west to -90°, 220m dlen; 2m to 20m width
Massawa CZ	Leapfrog veins; min. 2m width, 0.5g/tAu threshold	800mX by 1,600mY; to 240m depth; open sub vertically downdip	025°/-70°west to -80°east, 250m dlen; 2m to 30m width
Massawa NZ	sectional wireframes; 0.5g/tAu threshold	2,300mX by 1,500mY; to 600m depth; open vertically downdip	030°/-80° to 90°northwest, 600m dlen; 1m to 15m width
Delya	sectional wireframes; 0.5g/tAu threshold	700mX x 900mY; to 140m depth; open vertically downdip	035°/-90°, 140m dlen; 1m to 15m width
Tina	sectional wireframes; 0.5g/tAu threshold	650mX x 1,000mY; to 80m depth; open downdip to northwest	030°/-80° to-90west; 85m dlen; 5m to 20m width
Bambaraya	sectional wireframes; 0.5g/tAu threshold	400mX x 950mY; to 120m depth; open downdip west to southwest	020°/-60°west; 120m dlen; 2m to 20m width

Table 9-7: Sabodala-Massawa Gold Mine: resource estimation parameters

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Sabodala	1m	10, 15, 20, 30g/tAu	hard boundaries	10m by 10m by 10m, 1.25m by 1.25m by 1.25m (2.5m by 2.5m by 2.5m max in domain)	OK and ID2; 3 passes; 1st pass: 10m by 10m by 3m-5m, max 3 samp/dh; min 3/max 12 samp/est; 2nd pass: 50m-80m by 40m-50m by 10m-50m, max 3 samp/dh, min 6/max 12 samp/est; 3rd pass: 6m-120m by 45m-75m by 30m-75m, min 2/max 12 samp/est; Vulcan rotations: 340/-9/23.4, 353/-26/56.2, 327/-11/-19.2, 338/-10/23, 335/-11/22.6	averaged densities; oxide: 2.14-2.76; fresh: 2.73-2.87	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades; volumetric comparison of blocks vs. wireframes; swath plots, composite grades vs. other interpolation methods
Masato	1m, 2m	uncapped, 4-25g/tAu	hard boundaries	20m by 20m by 20m, 1.25m by 1.25m by 1.25m (5m by 5m by 5m max in domain)	OK and ID3, Vulcan unfolding for domains M1, M2, HW1 - HW6, FW1 - FW3; 3 passes; 1st pass: m5-225m by 5-50m by 0.5m-10m, max 3-4 samp/dh; min 3-5/max 12-16 samp/est; 2nd pass: 40m-450m by 40m-100m by 0.5m-40m, max 3-4 samp/dh, min 3-6/max 12-16 samp/est; 3rd pass: 60m by 60m by 60m, min 3/max 12 samp/est; Vulcan rotations for other domains: 351/0/65, 346/0/75, 146/0/-70, 351/0/45, 346/0/50, 24/0/52	averaged densities; oxide: 1.87-2.22; min fresh: 2.84, waste fresh: 2.80	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Golouma	1m	3-70g/tAu	hard boundaries	20m by 20m by 20m, 1.25m by 1.25m by 1.25m (5m by 5m by 5m max in domain)	OK and ID2, 2 passes: pass 1, 30m-80m by 30m-50m by 20m, max 5 samp/dh; min 4-8/max 24 samp/est; pass 2, 45m-120m by 45-75m by 30m-60m, max 5 samp/dh, min 4-6/max 24 samp/est; 20 variable Vulcan rotations	averaged densities; oxide: 2.19; fresh: 2.82	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 grades statistics (number, min, max, average, standard deviation) compared for each domain.
Kerekounda	1m	11-50g/tAu	hard boundaries	5m by 5m by 5m, 1.25m by 1.25m by 1.25m	OK, 2 passes: pass 1, 50-95m by 40m-80m by 20m, max 3 samp/dh; min 10/max 15 samp/est; pass 2, 75m-145m by 60m-120m by 40m, min 10/max 15 samp/est; Vulcan rotations: 320/-25/56.5, 160/-10/-59.5, 335/0/60	averaged densities; oxide: 2.00; fresh: 2.80	. Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation)

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
							compared for each domain.
Maki Medina	1m	uncapped, 6, 8g/tAu	hard boundaries	20m by 20m by 20m, 1.25m by 1.25m by 1.25m (2.5m by 5m by 5m max in domain)	ID3, dynamic anisotropy for domains 41, 42, 14; 3 passes; 1st pass: 40m-60m by 30m-35m by 10-15m, max 2 samp/dh; min 3/max 6 samp/est; 2nd pass: 60m-75m by 45m-55m by 15m-25m, max 2 samp/dh, min 2/max 6 samp/est; 3rd pass: 120m-180m by 90m-105m by 30m-45m, max 2 samp/dh, min 1/max 6 samp/est; Vulcan rotations for other domains: 5/0/55, 5/0/60, 5/0/70, 0/0/55, 355/0/55, 355/0/60	averaged densities; laterite: 1.83, saprolite: 1.83; saprock: 2.29, fresh: 2.71	Visual check on section, comparing modelled blocks grades vs composites. Swath plots. Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Niakafiri East	1m	uncapped, 10g/tAu	hard boundaries; 8 g/t threshold restricted to 10m x 10m x 5m	20m by 20m by 20m, 1.25m by 1.25m by 1.25m (2.5m by 2.5m by 2.5m max in domain)	ID3, dynamic anisotropy; 3 passes; 1st pass: 50m by 50m by 5m, max 3 samp/dh; min 4/max 12 samp/est; 2nd pass: 75m by 75m by 10m, max 3 samp/dh, min 4/max 12 samp/est; 3rd pass: 100m by 100m by 10m, max 3 samp/dh, min 4/max 12 samp/est	averaged densities; laterite: 1.75, saprolite: 1.75; saprock: 1.91, fresh: 2.85	Visual check on section, comparing modelled blocks grades vs composites. Swath plots Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain.
Niakafiri West	1m	uncapped, 10g/tAu	hard boundaries; 8 g/t threshold restricted to 10m x 10m x 5m	20m by 20m by 20m, 1.25m by 1.25m by 1.25m (2.5m by 2.5m by 2.5m max in domain)	ID3, dynamic anisotropy; 3 passes; 1st pass: 50m by 50m by 5m, max 3 samp/dh; min 4/max 12 samp/est; 2nd pass: 75m by 75m by 10m, max 3 samp/dh, min 4/max 12 samp/est; 3rd pass: 100m by 100m by 10m, max 3 samp/dh, min 4/max 12 samp/est	averaged densities; laterite: 1.67, saprolite: 1.67; saprock: 1.86, fresh: 2.76	
Goumbati West - Kobokoto	1m	uncapped, 1.5-15g/tAu	hard boundaries	20m by 20m by 20m, 0.5m by 0.5m by 0.5m (2.5m by 2.5m by 2.5m max in domain)	ID3, dynamic anisotropy; 3 passes; 1st pass: 50m by 50m by 30m, max 3 samp/dh; min 4/max 12 samp/est; 2nd pass: 75m by 75m by 45m, max 3 samp/dh, min 4/max 12 samp/est; 3rd pass: 100m by 100m by 60m, max 3 samp/dh, min 4/max 12 samp/est	averaged densities; ovb, laterite: 1.82, saprolite: 1.80; saprock: 2.25, fresh: 2.72	
Golouma North	1m	uncapped, 5g/tAu	hard boundaries	5m by 5m by 5m, 1.25m by 1.25m by 1.25m (2.5m by 5m by 5m max in domain)	ID3, passes; 1st pass: 50m by 50m by 30m, max 3 samp/dh; min 4/max 10 samp/est; 2nd pass: 75m by 75m by 30m, max 2 samp/dh, min 3/max 8 samp/est; 3rd pass: 100m by 100m by 30m, min 1/max 6 samp/est	averaged densities; saprolite: 2.03; saprock: 2.40; fresh: 2.83	
Diadiako	full width	uncapped	hard boundaries	5m by 5m by 5m, 0.5m by 0.5m by 0.5m	NN, 1 pass, 300m by 300m by 300m	averaged densities; oxide, fresh: 2.70	
Kinemba	1m	6g/tAu	hard boundaries	5m by 5m by 5m	OK, 4 passes; 1st pass: 34m by 35m by 8m, max 2 samp/dh; min 3/max 15 samp/est; 2nd pass: 45m by 58m by 15m, max 2 samp/dh, min 3/max 15 samp/est; 3rd pass: 60m by 90m by 30m, max 2 samp/dh, min 3/max 15 samp/est; 4th pass: 15m by 15m by 8m, max 2 samp/dh, min 2/max 15 samp/est; Gemcom ZYZ: 0/35/0	estimated (ID2); averaged densities in unestimated blocks: oxide: 1.75; fresh: 2.84	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades; swath plots
Kouroulou	1m	1.6g/tAu-110g/tAu	hard boundaries; 60g/tAu threshold (6100 dom) and 30g/tAu threshold (6201 dom) restricted to 20m by 20m by 10m	3m by 3m by 3m	ID2, 3 passes: pass 1, 30m by 25m by 20m, max 3 samp/dh; min 7-10/max 15 samp/est; pass 2, 60m by 50m by 40m, max 3 samp/dh, min 7-10/max 15 samp/est; pass 3, 90m by 75m by 50m, max 3 samp/dh, min 6/max 15 samp/est; Gemcom ZYZ: 350/70/95, 271/-52/132, 350/80/95	averaged densities; oxide: 2.11, fresh: 2.74	
Kouroundi	1m	6g/tAu	hard boundaries	5m by 5m by 5m	OK, 3 passes: pass 1, 20m by 11m by 5m, max 2 samp/dh; min 3/max 8 samp/est; pass 2, 40m by 20m by 10m, max 2 samp/dh, min 3/max 8 samp/est; pass 3, 60m by 30m by 10m, max 8 samp/dh, min 2/max 8 samp/est; Gemcom ZYZ: -31/-30/-46	averaged densities; oxide: 2.64; fresh: 2.90	
Koutouniokolla	1m	4g/tAu-30g/tAu	hard boundaries; 3g/tAu-5g/tAu threshold restricted to 30m by 30m by 10m	5m by 5m by 5m	ID2, 1 pass: 150m by 150m by 20m, max 12 samp/dh; min 4/max 12 samp/est; Gemcom ZYZ: -65/75/90, -30/90/-90	estimated (ID2); averaged densities in unestimated blocks: oxide: 2.14; fresh: 2.78	
Mamasato	1m	9g/tAu	hard boundaries	5m by 5m by 5m	ID2, 2 passes; 1st pass: 30m by 10m by 30m, max 3 samp/dh; min 4/max 12 samp/est; 2nd pass: 150m by 50m by 150m,	estimated (ID2); averaged densities in	

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					max 12 samp/dh, min 3/max 12 samp/est; Gemcom ZYZ: 0/45/0	unestimated blocks: oxide: 2.46; fresh: 2.81	
Marougou	full width	13.5g/tAu	hard boundaries	5m by 5m by 5m	NN, 1 pass, 500m by 500m by 500m	averaged densities; oxide: 2.00, fresh: 2.75	visual inspection of block grades vs. composite grades on plan, vertical and long sections
Sekoto	1m	uncapped, 8g/tAu	hard boundaries; 4g/tAu threshold restricted to 10m by 30m by 30m in pass 1 and 2	5m by 5m by 5m	ID2, 2 passes; 1st pass: 30m by 90m by 90m, max 3 samp/dh; min 4/max 12 samp/est; 2nd pass: 90m by 270m by 270m, max 3 samp/dh, min 4/max 12 samp/est; Gemcom ZYZ: -30/15/0	estimated (ID2); averaged densities in unestimated blocks: oxide: 1.83; fresh: 2.44	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades; swath plots
Soukhoto	1m	10g/tAu	hard boundaries	5m by 5m by 2.5m	ID2, 1 pass: 60m by 30m by 10m, min 1/max 4 samp/est; Vulcan rotations: 90/35/0	averaged densities; oxide: 2.20; fresh: 2.75	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades; swath plots
Sofia	1m	uncapped, 8g/tAu-20g/tAu	hard boundaries	5m by 5m by 5m, 0.5m by 0.5m by 0.5m; 30° rotation	ID3, dynamic anisotropy; 3 passes; 1st pass: 15m by 15m by 5m, max 3 samp/dh; min 9/max 12 samp/est; 2nd pass: 45m by 45m by 10m, max 3 samp/dh, min 6/max 12 samp/est; 3rd pass: 90m by 90m by 20m, max 3 samp/dh, min 4/max 12 samp/est	averaged densities; laterite: 1.94; saprolite: 1.66-1.87; saprock: 2.28-2.43; fresh: 2.79-2.87	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades
Massawa CZ	1m	15g/tAu-340g/tAu	hard boundaries, 70g/tAu threshold restricted to 20m by 20m by 20m	3.3m by 3.3m by 2.5m, 0.55m by 0.55m by 0.625m; 27° rotation	ID3, dynamic anisotropy; 3 passes; 1st pass: 25m by 25m by 3m, max 3 samp/dh; min 4/max 12 samp/est; 2nd pass: 50m by 50m by 3m, max 3 samp/dh, min 3/max 12 samp/est; 3rd pass: 100m by 100m by 10m, max 3 samp/dh, min 1/max 12 samp/est	averaged densities; saprolite: 1.66-1.90; saprock: 2.25-2.50; fresh: 2.74-2.90	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades; swath plots
Massawa NZ	1m	7g/tAu-65g/tAu	hard boundaries; 21g/tAu-48g/tAu threshold restricted to 32m to 64m by 20m-50m by 10m-16m	1.5m by 8m by 5m, 0.5m by 1.6m by 1m; 27° rotation	OK, 4 passes; 1st pass: 18-40m by 12-30m by 6-16m, max 5 samp/dh; min 4-8/max 12-18 samp/est; 2nd pass: 32-70m by 20-50m by 10-16m, max 3-4 samp/dh, min 4-6/max 14-16 samp/est; 3rd pass: 60-128m by 30-100m by 14-32m, min 4/max 12-14 samp/est; 4th pass: 96-256m by 60-200m by 24-64m, min 3/max 6-12 samp/est; Vulcan rotations: 210/0/90, 210/-7/-100, 215/0/75	averaged densities; saprolite: 1.66-2.21; saprock: 2.20-2.41; fresh: 2.72-2.85	volume reconciliation between blocks and wireframes, visual check of composites on cross and long sections, comparison between the data minimum, maximum, mean and estimated grade at 0 g/t Au cut-off for each domain, check of number of estimated blocks using the negative kriging weight, swath plots
Delya	1m	8.5g/tAu, 22g/tAu	hard boundaries; 16g/tAu threshold restricted to 60m by 38m by 10m for pass 3 and 4	2m by 9m by 7m, 0.5m by 1.8m by 1.75m; 35° rotation	OK, 4 passes; 1st pass: 40m by 22m by 5m, max 4 samp/dh; min 6/max 16 samp/est; 2nd pass: 60m by 38m by 10m, min 4/max 14 samp/est; 3rd pass: 120m by 76m by 20m, min 4/max 10 samp/est; 4th pass: 240m by 152m by 40m, min 4/max 10 samp/est	averaged densities; saprolite: 1.81-1.90; saprock: 2.34-2.77; fresh: 2.71-2.90	
Tina	1m	5.9g/tAu	hard boundaries	10m by 90m by 12m, 2m by 18m by 2.4m; 30° rotation	ID2, 1 pass: 120m by 15m by 30m, min 4/max 20 samp/est; 150° bearing, 20° dip	averaged densities; saprolite: 1.80; saprock: 2.60 (min), 2.54 (waste); fresh: 2.80 (min), 2.79 (waste)	
Bambaraya	1m	11.3g/tAu	hard boundaries	8m by 50m by 25m, 1.6m by 10m by 5m; 30° rotation	ID2, 1 pass: 120m by 15m by 30m, min 4/max 20 samp/est; 168° bearing, 30° dip	averaged densities; saprolite: 1.80; saprock: 2.60 (min), 2.54 (waste); fresh: 2.80 (min), 2.79 (waste)	

Figure 9-5: Sabodala-Massawa Gold Mine: Massawa CZ deposit sectional view

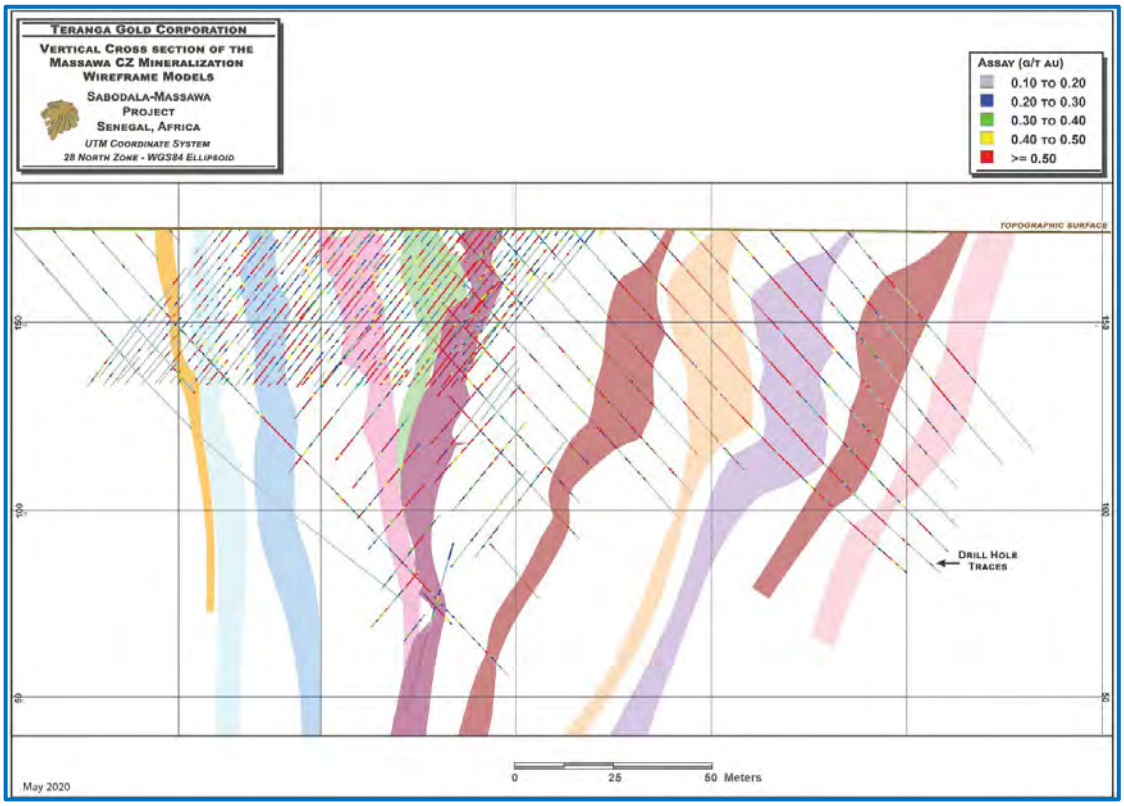


Figure 9-6: Sabodala-Massawa Gold Mine: Massawa Central Zone geological map

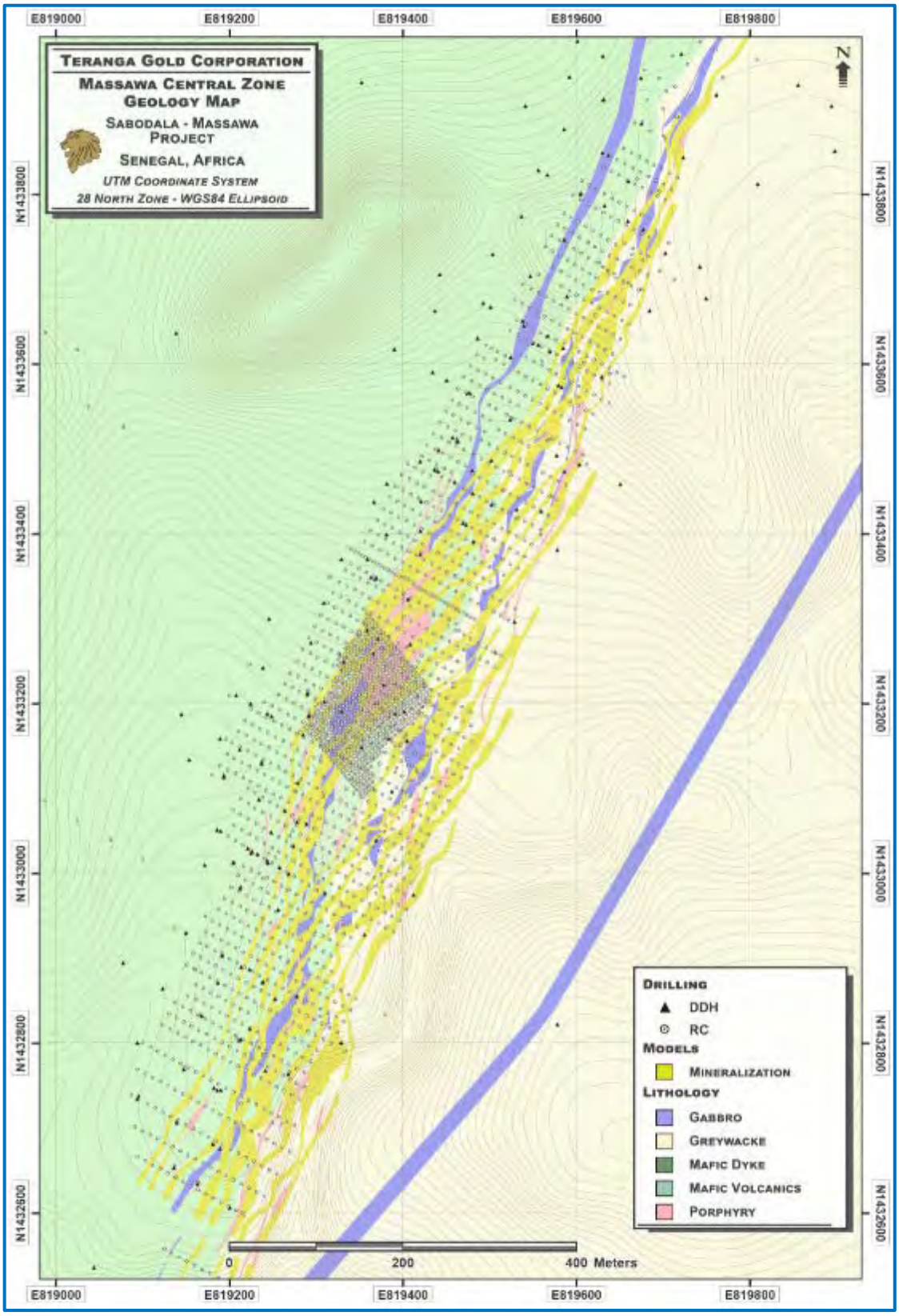
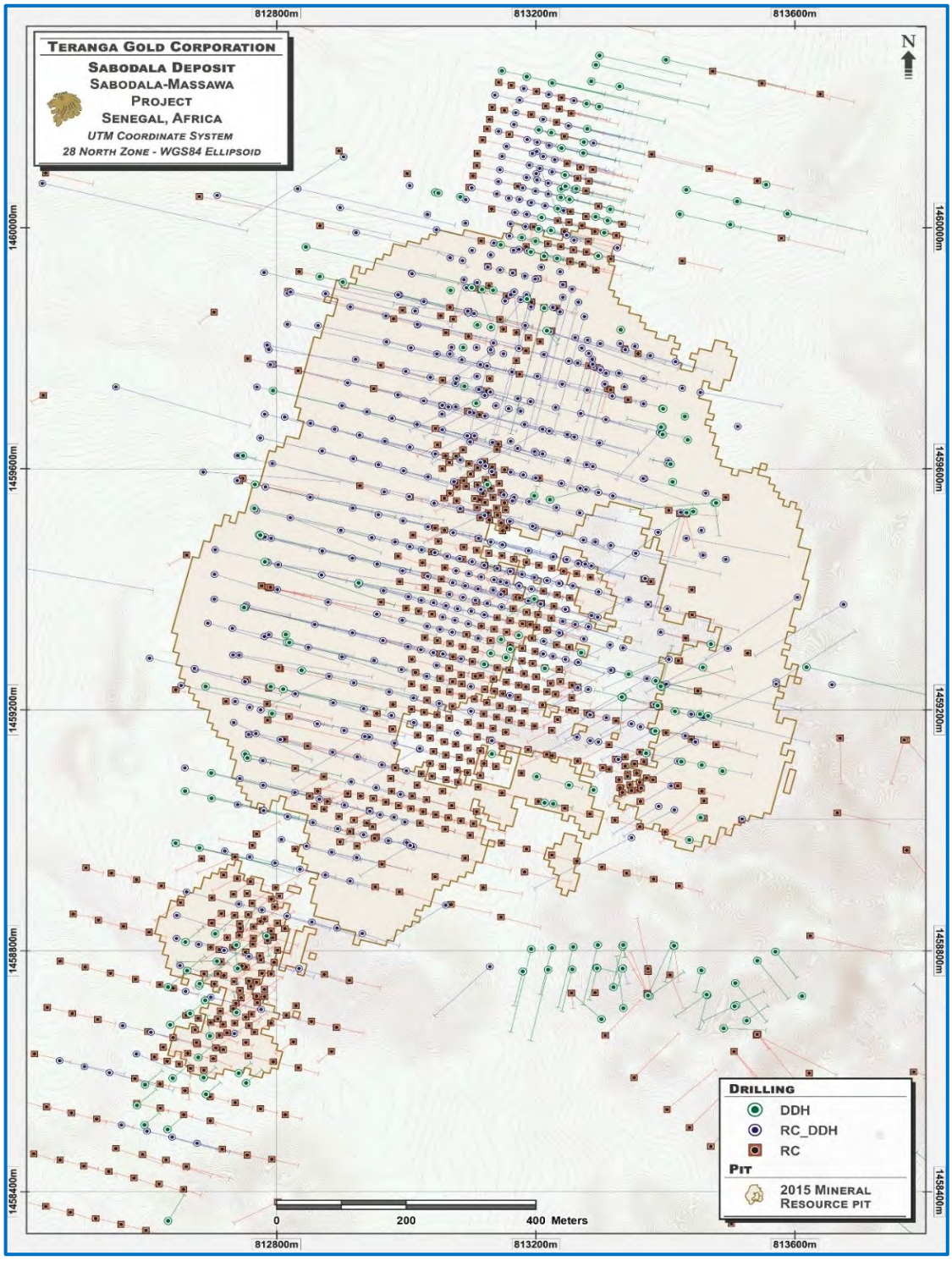


Figure 9-7: Sabodala-Massawa Gold Mine: Sabodala deposit geological map



Classification

Classification of the deposits included consideration of drill hole spacing, continuity of geology and grade, and the quality of the underlying data and block models. In addition, qualitative criteria were used to further refine areas classified as Measured, Indicated, and Inferred Mineral Resources. Classification wireframes were created on section to ensure that only areas, which could be considered as continuous, were classified together, and used to code the block models. The general classification criteria applied were as follows, although these criteria were

flexible given the differences in geological and grade continuity noted across each of the individual deposits:

- **Measured Mineral Resources:** Blocks estimated by OK, using search ranges corresponding to the first variogram structures with a minimum of two drill holes, and well established geological and grade continuity, or blocks estimated by IDW2, using a 20m by 20m by 20m search range with a minimum of two drill holes;
- **Indicated Mineral Resources:** Blocks estimated during the second estimation pass with a minimum of two drill holes, where geological and grade continuity has been sufficiently established; and
- **Inferred Mineral Resources:** Blocks estimated by the third estimation run based on the wider spacing of drill holes and resultant uncertainty in geological and grade continuity.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures. Alternatively, it has also become industry recognised common practice to utilise '*mine stope optimisers*' or other underground optimisation techniques to constrain the reporting of underground Mineral Resources which incorporates a number of key elements including: aggregation of block model units into stope dimensions (minimum sub-level/level/cut and strike lengths); incorporation of minimum mining widths; and exclusion stopes/mining which are distant from current and planned primary infrastructure.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Sabodala-Massawa Gold Mine reports its open pit Mineral resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves save for adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz and US$1,200/oz utilised for reporting open pit and underground Ore Reserves. Reporting of open pit Mineral Resources are constrained within resulting optimisation shells derived using a gold price of US$1,500/oz and in situ cut-off grades which range in accordance with deposit location and weathering type from 0.31g/tAu to 1.09g/tAu. Reporting of underground Mineral Resources are constrained within MSO shapes derived using a gold price of US$1,500/oz, minimum mining widths of 2.5m and in situ cut-off grades which range from 2.00g/tAu to 2.84g/tAu.

9.3.5 Mineral Resource Statements

As at 31 December 2020 Sabodala-Massawa Gold Mine reports total Mineral Resources (Table 9-8) of 126.4Mt grading 2.06g/tAu containing 8.4MozAu and comprising:

- Measured Mineral Resources of 19.4Mt grading 1.38g/tAu and containing 862kozAu;
- Indicated Mineral Resources of 82.7Mt grading 2.17g/tAu and containing 5,778kozAu; and
- Inferred Mineral Resources of 24.3Mt grading 2.21g/tAu and containing 1,728kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 16.2Mt grading 1.50g/tAu; transitional material of 13.5Mt grading 2.24g/tAu and fresh material of 96.6Mt grading 2.13g/tAu. Mineral Resources reporting to stockpiles comprise a total of 8.2Mt grading 0.79g/tAu containing 210kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 9.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shells and MSO shapes assuming a long-term gold price of US$1,500/oz and application of varying cut-off grades according to deposit location and weathering type. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 9.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 9-8: Sabodala-Massawa Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Sabodala o/p	4,342	1.82	254	29	1.05	1	-	-	-	4,312	1.82	253
Niakafiri East o/p	4,855	1.35	211	756	1.52	37	638	1.40	29	3,461	1.31	145
Sofia o/p	1,509	2.35	114	317	2.45	25	851	2.46	67	342	1.98	22
Massawa CZ o/p	516	4.40	73	346	4.16	46	153	4.80	24	17	5.53	3
Stockpile	8,217	0.79	210	-	-	-	-	-	-	8,217	0.79	210
Subtotal	**19,439**	**1.38**	**862**	**1,448**	**2.35**	**109**	**1,642**	**2.27**	**120**	**16,349**	**1.20**	**633**
Indicated												
Sabodala o/p	6,154	1.51	299	32	0.70	1	-	-	-	6,122	1.52	298
Sabodala u/g	1,715	3.62	200	-	-	-	-	-	-	1,715	3.62	200
Masato o/p	23,365	1.14	860	2,025	0.80	52	-	-	-	21,339	1.18	808
Masato u/g	855	2.70	74	-	-	-	-	-	-	855	2.70	74
Golouma o/p	68	2.41	5	-	-	-	-	-	-	68	2.41	5
Golouma u/g	2,293	4.76	351	-	-	-	-	-	-	2,293	4.76	351
Kerekounda u/g	790	5.24	133	-	-	-	-	-	-	790	5.24	133
Maki Medina o/p	710	1.23	28	61	1.55	3	23	1.10	1	627	1.21	24
Maki Medina u/g	121	2.71	11	-	-	-	-	-	-	121	2.71	11
Niakafiri East o/p	13,258	1.11	471	2,535	0.90	73	2,669	1.03	88	8,054	1.19	309
Niakafiri East u/g	337	2.83	31	-	-	-	-	-	-	337	2.83	31
Niakafiri West o/p	2,311	1.02	76	504	1.06	17	1,014	0.93	30	793	1.11	28
Niakafiri West u/g	78	2.74	7	-	-	-	-	-	-	78	2.74	7
Goumbati West o/p	1,675	1.36	73	680	1.33	29	701	1.36	31	295	1.43	14
Goumbati West u/g	159	3.51	18	-	-	-	-	-	-	159	3.51	18
Golouma North o/p	158	1.35	7	14	1.15	1	60	1.28	2	84	1.42	4
Kinemba o/p	18	1.04	1	18	1.04	1	-	-	-	-	-	-
Kourouloulou o/p	44	11.93	17	1	13.91	0	-	-	-	43	11.89	17
Kourouloulou u/g	64	9.15	19	-	-	-	-	-	-	64	9.15	19
Kouroundi o/p	10	0.75	0	10	0.75	0	-	-	-	-	-	-
Mamasato o/p	506	1.48	24	163	1.16	6	-	-	-	343	1.64	18
Sofia o/p	8,693	2.60	727	311	2.03	20	1,261	1.95	79	7,121	2.74	628
Massawa CZ o/p	12,507	3.32	1,337	2,897	2.42	226	1,456	3.14	147	8,155	3.68	964
Massawa NZ o/p	6,006	4.66	901	314	3.61	36	2,481	4.47	357	3,212	4.91	507
Delya o/p	773	4.42	110	166	4.76	25	283	4.03	37	325	4.57	48
Subtotal	**82,668**	**2.17**	**5,778**	**9,730**	**1.57**	**492**	**9,947**	**2.41**	**772**	**62,991**	**2.23**	**4,515**
Measured + Indicated												

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Sabodala o/p	10,495	1.64	553	61	0.87	2	-	-	-	10,434	1.64	551
Sabodala u/g	1,715	3.62	200	-	-	-	-	-	-	1,715	3.62	200
Masato o/p	23,365	1.14	860	2,025	0.80	52	-	-	-	21,339	1.18	808
Masato u/g	855	2.70	74	-	-	-	-	-	-	855	2.70	74
Golouma o/p	68	2.41	5	-	-	-	-	-	-	68	2.41	5
Golouma u/g	2,293	4.76	351	-	-	-	-	-	-	2,293	4.76	351
Kerekounda u/g	790	5.24	133	-	-	-	-	-	-	790	5.24	133
Maki Medina o/p	710	1.23	28	61	1.55	3	23	1.10	1	627	1.21	24
Maki Medina u/g	121	2.71	11	-	-	-	-	-	-	121	2.71	11
Niakafiri East o/p	18,113	1.17	682	3,291	1.04	110	3,307	1.10	117	11,515	1.23	455
Niakafiri East u/g	337	2.83	31	-	-	-	-	-	-	337	2.83	31
Niakafiri West o/p	2,311	1.02	76	504	1.06	17	1,014	0.93	30	793	1.11	28
Niakafiri West u/g	78	2.74	7	-	-	-	-	-	-	78	2.74	7
Goumbati West o/p	1,675	1.36	73	680	1.33	29	701	1.36	31	295	1.43	14
Goumbati West u/g	159	3.51	18	-	-	-	-	-	-	159	3.51	18
Golouma North o/p	158	1.35	7	14	1.15	1	60	1.28	2	84	1.42	4
Kinemba o/p	18	1.04	1	18	1.04	1	-	-	-	-	-	-
Kouroulouloulou o/p	44	11.93	17	1	13.91	0	-	-	-	43	11.89	17
Kouroulouloulou u/g	64	9.15	19	-	-	-	-	-	-	64	9.15	19
Kouroundi o/p	10	0.75	0	10	0.75	0	-	-	-	-	-	-
Mamasato o/p	506	1.48	24	163	1.16	6	-	-	-	343	1.64	18
Sofia o/p	10,202	2.56	841	628	2.24	45	2,112	2.15	146	7,462	2.71	650
Massawa CZ o/p	13,023	3.37	1,410	3,243	2.61	272	1,609	3.30	171	8,171	3.68	967
Massawa NZ o/p	6,006	4.66	901	314	3.61	36	2,481	4.47	357	3,212	4.91	507
Delya o/p	773	4.42	110	166	4.76	25	283	4.03	37	325	4.57	48
Stockpile	8,217	0.79	210	-	-	-	-	-	-	8,217	0.79	210
Subtotal	**102,107**	**2.02**	**6,640**	**11,178**	**1.67**	**601**	**11,589**	**2.39**	**892**	**79,341**	**2.02**	**5,147**
Inferred												
Sabodala o/p	2,641	1.16	98	28	0.66	1	-	-	-	2,613	1.16	98
Sabodala u/g	464	3.60	54	-	-	-	-	-	-	464	3.60	54
Masato o/p	2	0.63	0	-	-	-	-	-	-	2	0.63	0
Masato u/g	1,759	2.88	163	-	-	-	-	-	-	1,759	2.88	163
Golouma o/p	49	3.04	5	26	2.62	2	-	-	-	22	3.52	3
Golouma u/g	605	4.07	79	-	-	-	-	-	-	605	4.07	79
Kerekounda u/g	205	5.97	39	-	-	-	-	-	-	205	5.97	39
Maki Medina o/p	42	1.08	1	16	1.25	1	5	1.04	0	22	0.96	1
Maki Medina u/g	52	2.57	4	-	-	-	-	-	-	52	2.57	4
Niakafiri East o/p	3,749	0.86	104	991	0.78	25	613	0.88	17	2,145	0.89	61
Niakafiri East u/g	464	2.65	40	-	-	-	-	-	-	464	2.65	40
Niakafiri West o/p	561	0.87	16	285	0.78	7	209	0.85	6	67	1.29	3
Niakafiri West u/g	50	2.62	4	-	-	-	-	-	-	50	2.62	4
Goumbati West o/p	79	1.06	3	58	1.03	2	19	1.12	1	2	1.18	0
Goumbati West u/g	42	3.94	5	-	-	-	-	-	-	42	3.94	5
Golouma North o/p	278	1.46	13	43	1.29	2	77	1.35	3	158	1.55	8
Diadiako o/p	139	1.50	7	135	1.50	7	-	-	-	4	1.42	0
Diadiako u/g	543	2.99	52	-	-	-	-	-	-	543	2.99	52
Kinemba o/p	79	0.97	2	79	0.97	2	-	-	-	-	-	-
Kinemba u/g	53	2.54	4	-	-	-	-	-	-	53	2.54	4
Kouroulouloulou o/p	8	4.89	1	4	3.34	0	-	-	-	4	6.37	1
Kouroulouloulou u/g	81	14.53	38	-	-	-	-	-	-	81	14.53	38
Kouroundi o/p	13	0.79	0	13	0.79	0	-	-	-	-	-	-
Koutouniokolla o/p	70	1.70	4	43	1.50	2	-	-	-	27	2.03	2
Koutouniokolla u/g	23	2.60	2	-	-	-	-	-	-	23	2.60	2
Mamasato o/p	218	1.23	9	156	1.05	5	-	-	-	61	1.69	3
Mamasato u/g	34	2.38	3	-	-	-	-	-	-	34	2.38	3
Marougou o/p	1,018	1.41	46	1,002	1.42	46	-	-	-	17	1.24	1
Sekoto o/p	479	0.87	13	392	0.80	10	-	-	-	87	1.20	3
Soukhoto o/p	543	1.45	25	543	1.45	25	-	-	-	1	3.19	0
Sofia o/p	1,388	2.11	94	73	1.29	3	304	1.56	15	1,012	2.33	76
Massawa CZ o/p	2,950	2.97	282	205	2.11	14	136	2.07	9	2,608	3.08	259
Massawa NZ o/p	233	4.93	37	1	1.98	0	39	6.77	8	193	4.57	28
Massawa NZ u/g	2,411	4.59	356	-	-	-	-	-	-	2,411	4.59	356
Delya o/p	101	3.70	12	10	1.81	1	37	3.28	4	53	4.35	7
Tina o/p	2,270	1.01	73	909	0.87	26	371	1.03	12	990	1.12	36
Bambaraya o/p	573	2.09	39	37	1.91	2	136	1.49	7	400	2.31	30
Subtotal	**24,267**	**2.21**	**1,728**	**5,047**	**1.12**	**182**	**1,946**	**1.32**	**83**	**17,274**	**2.63**	**1,462**
Mineral Resources												
Sabodala o/p	13,136	1.54	652	89	0.80	2	-	-	-	13,047	1.55	649
Sabodala u/g	2,179	3.62	254	-	-	-	-	-	-	2,179	3.62	254
Masato o/p	23,366	1.14	860	2,025	0.80	52	-	-	-	21,341	1.18	808
Masato u/g	2,614	2.82	237	-	-	-	-	-	-	2,614	2.82	237
Golouma o/p	117	2.67	10	26	2.62	2	-	-	-	91	2.68	8
Golouma u/g	2,898	4.61	430	-	-	-	-	-	-	2,898	4.61	430
Kerekounda u/g	995	5.39	172	-	-	-	-	-	-	995	5.39	172
Maki Medina o/p	752	1.22	30	76	1.49	4	28	1.09	1	648	1.20	25
Maki Medina u/g	174	2.67	15	-	-	-	-	-	-	174	2.67	15
Niakafiri East o/p	21,861	1.12	786	4,281	0.98	135	3,919	1.07	135	13,661	1.17	516
Niakafiri East u/g	801	2.73	70	-	-	-	-	-	-	801	2.73	70
Niakafiri West o/p	2,872	0.99	92	789	0.96	24	1,223	0.92	36	860	1.13	31
Niakafiri West u/g	128	2.69	11	-	-	-	-	-	-	128	2.69	11
Goumbati West o/p	1,754	1.35	76	737	1.31	31	720	1.35	31	297	1.43	14
Goumbati West u/g	201	3.60	23	-	-	-	-	-	-	201	3.60	23
Golouma North o/p	435	1.42	20	56	1.26	2	137	1.32	6	242	1.51	12
Diadiako o/p	139	1.50	7	135	1.50	7	-	-	-	4	1.42	0
Diadiako u/g	543	2.99	52	-	-	-	-	-	-	543	2.99	52
Kinemba o/p	97	0.99	3	97	0.99	3	-	-	-	-	-	-
Kinemba u/g	53	2.54	4	-	-	-	-	-	-	53	2.54	4
Kouroulouloulou o/p	52	10.88	18	5	5.43	1	-	-	-	47	11.42	17
Kouroulouloulou u/g	145	12.17	57	-	-	-	-	-	-	145	12.17	57
Kouroundi o/p	23	0.77	1	23	0.77	1	-	-	-	-	-	-
Koutouniokolla o/p	70	1.70	4	43	1.50	2	-	-	-	27	2.03	2
Koutouniokolla u/g	23	2.60	2	-	-	-	-	-	-	23	2.60	2
Mamasato o/p	723	1.41	33	319	1.11	11	-	-	-	404	1.64	21
Mamasato u/g	34	2.38	3	-	-	-	-	-	-	34	2.38	3
Marougou o/p	1,018	1.41	46	1,002	1.42	46	-	-	-	17	1.24	1

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Sekoto o/p	479	0.87	13	392	0.80	10	-	-	-	87	1.20	3
Soukhoto o/p	543	1.45	25	543	1.45	25	-	-	-	1	3.19	0
Sofia o/p	11,590	2.51	935	700	2.15	48	2,416	2.08	162	8,474	2.66	725
Massawa CZ o/p	15,973	3.29	1,692	3,448	2.58	286	1,746	3.20	180	10,780	3.54	1,226
Massawa NZ o/p	6,239	4.67	937	315	3.60	36	2,520	4.51	365	3,404	4.89	536
Massawa NZ u/g	2,411	4.59	356	-	-	-	-	-	-	2,411	4.59	356
Delya o/p	874	4.33	122	176	4.59	26	320	3.95	41	378	4.54	55
Tina o/p	2,270	1.01	73	909	0.87	26	371	1.03	12	990	1.12	36
Bambaraya o/p	573	2.09	39	37	1.91	2	136	1.49	7	400	2.31	30
Stockpile	8,217	0.79	210	-	-	-	-	-	-	8,217	0.79	210
Total	**126,374**	**2.06**	**8,367**	**16,225**	**1.50**	**783**	**13,535**	**2.24**	**974**	**96,615**	**2.13**	**6,610**

9.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 9-9 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are: an overall reduction of 370koz which compares with total mining depletion of 318kozAu. This is however net of both negative (698Moz) and positive adjustments (329koz) with depletion accounting for approximately 50% of the total negative adjustment. Mineral Resources were reported within an optimised shell assuming a gold prices ranging from US$1,450/oz to US$1,500/oz from 2016 through 2020.

Table 9-10 presents a total Mineral Resource comparison between historical reporting periods for Sabodala-Massawa Gold Mine from 2016 through 2020 inclusive. The analysis focuses primary on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. For the former and comparing a 2016 depletion adjusted 'estimate' of future Mineral Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resources have increased by some 15.9Mt at a grade of 2.64g/tAu. This should however be seen in the light of a reduction (potential upgrading) of Inferred Mineral Resources (totalling 11.9Mt) and total depletion of 18.1Mt grading 1.99g/t for a total of 1,160kozAu. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Sabodala-Massawa Gold Mine over the reporting period considered.

Table 9-9: Sabodala-Massawa Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
	2,753	**1.26**	**112**	**1,041**	**0.06**	**16**	**1,712**	**1.75**	**96**
Indicated									
	66,625	**1.74**	**3,717**	**7,981**	**(0.01)**	**(80)**	**58,644**	**2.01**	**3,797**
Measured + Indicated									
	69,378	**1.72**	**3,829**	**9,022**	**(0.02)**	**(64)**	**60,355**	**2.01**	**3,893**
Inferred									
	6,862	**1.50**	**330**	**8**	**0.02**	**(126)**	**6,855**	**2.07**	**456**
Mineral Resources									
Sabodala o/p	13,136	1.54	652	335	(0.09)	(21)	12,801	1.63	672
Sabodala u/g	2,179	3.62	254	88	(0.02)	9	2,091	3.64	245
Masato o/p	23,366	1.14	860	1,155	(0.02)	31	22,212	1.16	829
Masato u/g	2,614	2.82	237	(532)	0.01	(48)	3,147	2.81	285
Gora u/g	-	-	-	(330)	(4.91)	(52)	330	4.91	52
Golouma o/p	117	2.67	10	(3,435)	(0.26)	(324)	3,552	2.93	334
Golouma u/g	2,898	4.61	430	(89)	0.65	49	2,987	3.96	381
Kerekounda u/g	995	5.39	172	261	0.24	51	734	5.14	121
Maki Medina o/p	752	1.22	30	(343)	0.02	(13)	1,096	1.20	42
Maki Medina u/g	174	2.67	15	(95)	(0.00)	(8)	269	2.67	23
Niakafiri East o/p	21,861	1.12	786	(1,570)	(0.03)	(76)	23,432	1.14	862
Niakafiri East u/g	801	2.73	70	62	0.02	6	738	2.70	64
Niakafiri West o/p	2,872	0.99	92	(862)	0.00	(27)	3,734	0.99	119
Niakafiri West u/g	128	2.69	11	(17)	(0.06)	(2)	145	2.76	13

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Goumbati West o/p	1,754	1.35	76	(1,421)	0.08	(53)	3,175	1.27	129
Goumbati West u/g	201	3.60	23	(10)	0.48	2	210	3.12	21
Golouma North o/p	435	1.42	20	(30)	0.03	(1)	466	1.38	21
Golouma North u/g	-	-	-	(33)	(2.81)	(3)	33	2.81	3
Diadiako o/p	139	1.50	7	(39)	0.23	(1)	178	1.27	7
Diadiako u/g	543	2.99	52	(120)	0.10	(9)	663	2.89	61
Kinemba o/p	97	0.99	3	(18)	0.01	(1)	115	0.98	4
Kinemba u/g	53	2.54	4	(3)	0.02	(0)	56	2.52	5
Kourouloulou o/p	52	10.88	18	(66)	0.26	(22)	118	10.62	40
Kourouloulou u/g	145	12.17	57	(1)	0.39	2	146	11.77	55
Kouroundi o/p	23	0.77	1	(87)	(0.09)	(2)	110	0.86	3
Koutouniokolla o/p	70	1.70	4	(15)	0.12	(0)	85	1.58	4
Koutouniokolla u/g	23	2.60	2	1	0.06	0	22	2.54	2
Mamasato o/p	723	1.41	33	(142)	0.03	(6)	866	1.38	38
Mamasato u/g	34	2.38	3	(8)	0.06	(1)	42	2.32	3
Marougou o/p	1,018	1.41	46	(180)	0.00	(8)	1,198	1.41	54
Sekoto o/p	479	0.87	13	(6)	(0.02)	(0)	485	0.89	14
Sekoto u/g	-	-	-	(25)	(2.11)	(2)	25	2.11	2
Soukhoto o/p	543	1.45	25	(7)	(0.01)	(1)	550	1.46	26
Sofia o/p	11,590	2.51	935	407	0.14	83	11,184	2.37	852
Massawa CZ o/p	15,973	3.29	1,692	1,078	(0.19)	25	14,896	3.48	1,667
Massawa NZ o/p	6,239	4.67	937	306	(0.13)	20	5,933	4.81	917
Massawa NZ u/g	2,411	4.59	356	(171)	0.10	(17)	2,582	4.50	373
Delya o/p	874	4.33	122	19	(0.05)	1	855	4.38	120
Tina o/p	2,270	1.01	73	341	(0.04)	8	1,929	1.05	65
Bambaraya o/p	573	2.09	39	36	(0.06)	1	537	2.15	37
Stockpile	8,217	0.79	210	1,000	0.06	40	7,218	0.73	170
Total	**126,374**	**2.06**	**8,367**	**(4,568)**	**(0.02)**	**(370)**	**130,943**	**2.08**	**8,737**

Table 9-10: Sabodala-Massawa Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	104,258	1.92	6,447	2,949	1.92	182
2017	104,264	1.96	6,565	3,736	1.96	235
2018	97,622	2.00	6,292	3,465	2.00	223
2019	104,823	2.05	6,897	3,061	2.05	201
2020	102,107	2.02	6,640	4,888	2.02	318
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	101,309	1.92	6,265	2,949	1.92	182
2017	97,573	1.96	6,030	6,691	2.49	535
2018	94,107	2.00	5,806	3,515	4.30	486
2019	91,046	2.05	5,605	13,776	2.92	1,292
2020	86,159	2.02	5,287	15,948	2.64	1,353
Period	**Reported**			**Cumulative Amendments**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	36,254	2.35	2,744	-	-	-
2017	23,933	1.85	1,424	(12,321)	(0.50)	(1,320)
2018	18,093	1.78	1,034	(18,161)	(0.58)	(1,710)
2019	26,120	2.19	1,840	(10,134)	(0.16)	(904)
2020	24,267	2.21	1,728	(11,987)	(0.14)	(1,016)

9.3.7 Reconciliation

Reconciliation analysis at Sabodala-Massawa Gold Mine is not as well established as noted elsewhere in the Group and to date the current Group standard is currently being implemented to present and analyse data measurements in accordance with that defined at the other Mineral Assets. Furthermore, SRK recognise that the reconciliation process is challenging given the number of operating pits and co-processing within a single process plant. For the past two calendar years the tonnage and grade reconciliation appears to be reasonable, however total gold content based on comparison with GCM-Crusher feed and milled records indicate an overall correlation of 0.94. Comparisons between block model estimates and 'mined' statistics on a deposit by deposit level however indicate an overall positive reconciliation with substantive variation, notably at Golouma West and Sofia. At this stage it is difficult to draw any detailed conclusions and further work is required to better analyse and assess historical data and records in addition to implementing the Group Standard.

Table 9-11: Sabodala-Massawa Gold Mine: resource model to grade control to declared ore mined reconciliation (mine level 2019 through 2020)

Period	Reconciliation Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
2019	GCM-Crusher	4,297	2.00	276

Period	Reconciliation Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
	Milled	4,161	1.98	265
	Factor	0.97	0.99	0.96
	GCM-Crusher	4,284	2.02	278
2020	Milled	4,123	1.94	257
	Factor	0.96	0.96	0.92
	GCM-Crusher	8,581	2.02	554
Total	Milled	8,285	1.94	522
	Factor	0.97	0.96	0.94

Table 9-12: Sabodala-Massawa Gold Mine: resource model to grade control to declared ore mined reconciliation (deposit details 2020)

Deposit	Block Model			Factors			Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage	Grade	Content	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Golouma West									
>0.4	4,835	1.89	293	1.10	1.15	1.27	5,337	2.16	371
>1.0	3,151	2.51	254	1.48	0.95	1.40	4,655	2.38	356
Goumbati									
>0.4	106	1.38	5	1.23	0.88	1.08	130	1.22	5
>1.0	68	1.72	4	1.90	0.71	1.35	130	1.22	5
Maki Medina									
>0.4	898	1.25	36	1.13	0.95	1.07	1,016	1.19	39
>1.0	431	1.85	26	1.49	0.80	1.19	644	1.48	31
Sabodala									
>0.4	651	1.07	22	0.95	0.91	0.86	617	0.97	19
>1.0	249	1.75	14	1.06	0.83	0.87	263	1.44	12
Sofia									
>0.4	323	2.00	21	2.26	0.84	1.91	730	1.69	40
>1.0	236	2.46	19	2.26	0.84	1.91	534	2.08	36
Total									
>0.4	6,812	1.72	377	1.15	1.09	1.26	7,830	1.88	474
>1.0	4,135	2.38	316	1.51	0.92	1.39	6,226	2.20	440

9.3.8 Exploration Potential

Exploration Potential at the Sabodala-Massawa Gold Mine is focused on existing mineralisation, identified prospects and targets which are open along strike and at depth along the two major regional structures, corresponding structural corridors and the area between these. Established deposits are located on the first-order structures: the Sabodala and Sofia deposits are located on the Sabodala-Sofia Zone ("**SSZ**"), and the Massawa and Delya deposits are located on the MTZ. Approximately 38km of the SSZ and 40km of the MTZ are located on the Sabodala-Massawa Gold Mine licences and exploration permits. The area represented between these structures host prospects and targets located in adjacent parallel, and second and third order structural zones. These structural zones consist of northwest trending linking structures between major shear zones as well as structures wrapping around major intrusions.

Datasets available to assist with target generation include: exploration drilling, regional soils, rock-chip samples, EM, radiometric, aeromagnetic and local IP. Outside the deposits hosting the currently defined Mineral Resources reported herein, more than 70 prospects have been identified and drill tested with almost 2,000 holes (RC or DD), and 10,000 RAB holes. A review of the existing data, evaluation of results, and prioritizing drill targets is underway and in March 2020 Teranga commenced on a US$10m drilling programme at Sofia, Massawa CZ and NZ to upgrade and increase Mineral Resources, both along strike and at depth. Additional drilling is planned at the high priority satellite deposits and prospects, Tina, Delya and Samina, to further define and increase Mineral Resources.

Exploration potential is largely focused on continued exploration of identified anomalies and targets within the current Exploitation Licence areas and the various exploration permits which cover the wider permit area.

9.4 Mining and Ore Reserves

At Sabodala-Massawa Gold Mine, mining is done by conventional open-pit shovel-truck operation. Loading, hauling, pit floor road and dump maintenance and production and grade control drilling is carried out by owner mining personnel and equipment. Production blasting is outsourced to Orica and surface ore haulage is outsourced to a specialist Senegalese

contractor – Transport Djeye that has been working with Sabodala since 2015.

Open Pit mining

The earthmoving mining fleet for the open pits predominantly comprises Komatsu load, haul and ancillary fleet and Sandvik fleet for production drilling. The current fleet includes a total of 70 mobile mining equipment units including: four Komatsu PC3000 shovels; five Komatsu PC1250 excavators; twenty four Komatsu HD785 dump trucks; five Sandvik DI550 and DP1500i production drills; six Sandvik D25K production drills; one Sandvik DI550 grade control drill; nine Komatsu and Caterpillar dozers; seven Komatsu graders and other ancillary fleet to meet the 35Mtpa to 38Mtpa mining rate.

The mine operates using 10m blast benches mined in 5m flitches for waste and mined in two 2.5m flitches for ore. Open pit mining operations assume selective mining with respect to both weathering type, process route feed and four specific grade categories: high grade (>2.0g/tAu); medium grade (1.5g/tAu to 2.0g/tAu); low grade (1.0g/tAu to 1.5g/tAu); and marginal (from cut-off-grade to 1.0g/tAu).

Several of the deposits in the LoMp contain orebodies that require a selective approach and result in waste mining being undertaken with the main face shovels, supported by the smaller excavator fleet to minimize ore dilution and maximize ore recovery. Standard operational procedures are observed in grade control practices from drilling and blasting, through loading and hauling to RoM and stockpile management.

RC grade control drilling is supported by blasthole sampling where required. Drill holes are identified by using the correct drill hole maps and sample bags are checked to ensure they have matching identification numbers. Disrupted samples are ignored and replaced by new, undisturbed ones.

Ore spotting, loading, and hauling activities in the pits have the objective of minimizing ore loss and dilution. Effective communication is maintained to ensure ore and waste reach their appropriate destinations. The practice of exposing ore is done from the hanging wall to the ore-waste contact, and then the ore is mined under the supervision of grade control personnel. Good floor maintenance is provided with the help of GPS devices.

Historical mining statistics reported since commencement of open-pit mining operations in 2009 indicate a total of 358.6Mt mined comprising 310.4Mt of waste and 48.3Mt of ore grading 1.88g/tAu reflecting an overall stripping ratio of 6.4t_{waste}:t_{ore}. Mining operations to date have been predominantly from deposits on the Sabodala Licence and mining at the Massawa Licence deposits commenced in 2020. To date mining at the Massawa Licence has contributed a total of 12.3Mt comprising 10.2Mt of waste and 2.1Mt of ore grading 1.82g/tAu reflecting an overall stripping ratio of 5.0t_{waste}:t_{ore}.

The current LoMp assumes mining of a total of 436.2Mt of material at a rate which reduces from a high of 40Mt moved in 2021, reducing to 30Mt by 2026 which is largely sustained until planned cessation of open pit mining operations in 2034. Total Ore Reserves mined from the open pits amount to 67.0Mt grading 1.97g/tAu at an average stripping ratio of 5.5t_{waste}:t_{ore}.

The open-pit LoMp mining strategy assumes transition of mining operations from the Sabodala Licence deposits to the Massawa Licence deposits through development of road access to the Massawa deposits, firstly to Sofia Main and North in mid-2020 and then to CZ and NZ in late 2021. Once established mining operations continue for four years from 2022 through 2025 at a full mining rate and then over two years ramp down and transition back to Sabodala with mining at Massawa deposits completed by 2027.

The Sofia pits contain ore that is amenable to treatment through the existing Sabodala CIL

plant, though due to the higher-grade nature of these pits, an upgrade of the back end of the plant is currently underway to manage the higher carbon loadings and which is described later in this section of the CPR.

The transitional and fresh ores from the Massawa CZ, NZ and Delya pits are considered semi-refractory due to the moderate cyanidation recoveries achieved in Leachwell tests. However, the gold deportment in these pits is a function of two mineralisation events; the first event being an inflow of sulphide rich fluids resulting in a base level of pyrite and arsenopyrite locked refractory gold, followed by a later over-printing of quartz with extensive '*free*' gold. The higher-grade veins are dominated by the quartz overprinting and 'free' gold therefore achieving a higher CIL recovery. The original mineralisation consisting of the pyrite and arsenopyrite locked refractory gold will not be recovered and will report to the CIL tails.

The recovery of refractory material at the CIL has been modelled separately and the decision to send a block to the SM CIL Plant or the SM ROT Plant was made based on the block's economic value considering higher processing cost for the BIOX® which is offset by a higher recovery (88.3%) than the SM CIL Plant.

The current mining strategy assumes the selective mining of the higher-grade material to enable separate processing of the high-grade fresh refractory and non-refractory components. If implemented, there is a risk that it would lead to poor separation, cross contamination and potentially higher dilution and losses than currently assumed. Accordingly, it is considered appropriate that the LoMp is amended to consider mining this material as a unit and then processing all of this through the SM ROT Plant which would result in substantially higher metallurgically recoveries than currently assumed. At the time of authoring this CPR, the Group has commenced a Feasibility Study to reassess the SM ROT Plant processing and accompanying mining strategy. The impact of the risk associated with an unchanged LoMp strategy is discussed further in Section 9.5 of this CPR.

Underground mining

The current LoMp also assumes the establishment of two 500tpd underground mining operations at the Golouma and Kerekounda deposits located on the Sabodala Licence. The selected mining method adopted for the operations is cut and fill ("**CAF**") with mining operations projected to commence in 2028 and continued through to depletion in 2036. The underground designs were originally completed in 2011 by third party consultants which were subsequently updated in 2015.

The cut and fill method involves mining the deposits in a series of horizontal slices 5m high progressing from the bottom up. In typical cut and fill mining practices, a slice of ore is removed by working off the backfilled material beneath and the new, exposed back is supported with rockbolts. Once a slice is taken for the entire stope length, the remaining broken ore is removed and backfill is brought in to fill the mined-out void. The backfill acts to provide ground support for the hangingwall and footwall and also acts as the floor for the next lift.

The CAF method will employ a '*double-lift*' methodology in which two lifts will be removed before backfilling. The first drift will be mined and then a bench will be mined underneath. Both lifts will then be filled with uncemented rock backfill. This sequence reduces the ground support in the back to every second lift rather than every lift. A total of four slices will be taken from each attack ramp. Once mining from an attack ramp is complete, the ramp above will then be used to access the deposit.

Orebody access x-cuts and attack ramps will be developed off of the main ramps every 20 vertical metres. Ore and waste re-muck (rehandle) bays will be sized to accept the equivalent

of two rounds of muck and will be located off of the access x-cut.

From the attack ramps, ore mining will advance in both directions along strike with a full vein-width face up to 10m wide. In general, the height of the ore drift will be 5m and for wider areas like the western deposit of Golouma West, pillars will be left in the middle of each lift as per a post-pillar cut and fill method. Upon reaching the end of the predetermined stope boundary, or running out of ore, mining of the first cut will cease and then a bench will be taken starting back at the at the access attack ramp. The second, lower cut will be mined by slashing the floor ('benching') of the first cut. The benching cycle will create an opportunity for the jumbo to drill long (4m+) holes and to be very productive as no cut holes have to be drilled and a lower powder factor will also be possible with benching.

Once the second cut is completely blasted, all of the ore in the stope will be mucked out. Mining will then stop, and the stope will be filled close to the back with uncemented waste rock fill. The mining cycle will begin again on the third cut followed by benching the fourth cut. At sill level, when mining is planned to advance up from below, waste rock backfill will be cemented and allow the floor underneath the fill to be extracted.

The backfill is assumed to constitute cemented rock fill ("**CRF**") which is proposed to fill the initial one or two lifts of each CAF mining horizon to eliminate the need to leave a crown pillar when mining approaches from beneath. The rock will be sourced from RoM open pit waste and sized to between 10mm and 200mm. The crushed rock will be mixed on surface with standard Portland cement added with a content of 5% by weight and transported underground for placement in the stopes by loader. It is assumed that CRF should be used to a height of at least 10m (two lifts) and where spans exceed 7m, wire mesh reinforcement will be used at the base of the initial lift.

The current LoMp assumes mining of a total of 2.1Mt of ore grading 5.01g/tAu with accompanying development assumed at 15.7km of horizontal development and 1.0km of vertical development. For each operation the contribution to the total LoMp is: 1.5Mt grading 5.03g/tAu for Golouma underground; and 0.6Mt grading 4.95g/tAu for Kerekounda underground. The Group will reassess the underground potential and mining method selection as part of the annual planning cycle in H2 2021.

9.4.2 Historical Performance

Analysis of historical production (Table 9-13) to date indicates that total material mined has increased from 2015 reaching a maximum of 37.3Mt mined in 2018 and thereafter reducing to the current 34Mt in 2020. Total mined ore has varied considerably reducing from a peak of 7.8Mt in 2015 to a low of 1.9Mt in 2019 and increasing to 5.3Mt in 2020. Mined grades have varied considerably and generally reduced from a high of 3.48g/tAu in 2017 to the current 1.87g/tAu noted in 2020. The stripping ratio increased significantly from 2015 to a high of 18 in 2018 and has now reduced to 5.4t_{waste}:t_{ore} reported in 2020. Open pit mining production from 2019 through 2020 noted production from 8 open pits with 6 open pits operating in 2020: Golouma West; Goumbati; Sabodala; Maki Medina; Kourouloulou; and Sofia Main (Table 9-14).

Operating expenditures for 2020 indicated an average of US$2.65/$t_{mined}$ which has generally increased from 2015 as the contribution of fresh and more distant ores have increased.

Table 9-13: Sabodala-Massawa Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	209,867	31,631	35,644	37,486	37,268	33,886	33,952
Waste	(kt)	187,770	23,883	33,512	35,385	35,347	30,977	28,666
Ore	(kt)	22,097	7,748	2,132	2,101	1,921	2,909	5,286
	(g/tAu)	2.06	1.22	2.66	3.48	3.62	2.15	1.87
	(koz)	1,463	303	182	235	224	201	318

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Stripping Ratio	(t_{waste}:t_{ore})	8.5	3.1	15.7	16.8	18.4	10.6	5.4
Opex								
Mining	(US$m)	555.91	77.4	87.2	94.5	100.6	96.1	100.1
	(US$/t)	2.65	2.45	2.45	2.52	2.70	2.84	2.95

Table 9-14: Sabodala-Massawa Gold Mine: historical mining statistics for 2019 and 2020

Deposit	Total Mined (kt)	Ore (kt)	(g/tAu)	Stripping Ratio (t_{waste}:t_{ore})
2020				
Golouma West	10,586	2,142	2.09	3.9
Goumbati	960	130	1.22	6.4
Sabodala	3,119	199	1.05	14.7
Maki Medina	3,623	632	1.17	4.7
Kourouloulou	3,714	125	4.43	28.8
Sofia Main	12,276	2,060	1.82	5.0
Total	**34,279**	**5,288**	**1.87**	**5.5**
2019				
Golouma West	18,227	1,878	2.24	8.7
Sabodala	11,730	338	0.99	33.7
Maki Medina	2,743	386	1.22	6.1
Kerekounda	1,220	287	4.11	3.3
Kouloqwinde	395	67	1.94	4.9
Total	**34,315**	**2,956**	**2.14**	**10.6**

9.4.3 Mine Design, Planning and Scheduling

At the Sabodala-Massawa Gold Mine all block resource models are regularised to ensure a minimum SMU size which vary by deposit: 5.0m (X), 5.0m (Y) and 5.0m (Z) dimensions for Sabodala, Masato and Golouma West; 2.5m (X), 2.5m (Y) and 2.5m (Z) dimensions for Maki Medina, Niakafiri East, Niakafiri West, Goumbati West/Kobokoto, Sofia Main & North, Massawa NZ, Delya; and 3.3m (X), 3.3m (Y) and 2.5m (Z) dimensions for Massawa CZ.

For the underground operations, the supporting work is dated and comprises assumptions and designs which range from 2011 through 2015. No further diluting factors having been applied to the resulting regularised tonnages, however grade factors have been applied to various deposits and weathering ore types ranging from 0.91 to 1.00 (Table 9-15). For the underground operations the current dilution assumptions incorporated into the designs range from 5% to 7% with losses assumed at approximately 1%.

The current Ore Reserves are reported assuming a mill feed cut-off grade determined based on a suite of deposit specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates within each deposit (Table 9-15).

The mining costs are initially determined assuming application of a range of mining related operating expenditures (Table 9-16) which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances.

The resulting unit operating costs as derived from the block models are as reflected in Table 9-16 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades as determined assume a long-term gold price of US$1,300/oz for the open pit operations and US$1,200/oz for the underground operations a royalty determination of 5.00% and selling cost assumptions of US$2.35/oz. The resulting mill feed cut-off grade determinations are presented in Table 9-17 below and range from a low of 0.37g/tAu to a high of 1.26g/tAu for the open pits with the upper ranges reflecting fresh refractory material processed through the SM ROT Plant. For the underground operations the cut off grades determined are approximately 2.5g/tAu.

Table 9-15: Sabodala-Massawa Gold Mine: assumed modifying factors

Deposit	Grade Factor (Diluted)		Metallurgical Recovery	
	Oxide (Factor)	Fresh (Factor)	Oxide (%)	Fresh (%)
Sabodala	0.91	0.91	88.22	89.07
Masato	0.96	0.96	91.25	88.53
Golouma West	1.00	1.00	89.86	86.60
Maki Medina	1.00	1.00	85.20	88.61
Niakafiri East	0.95	0.95	91.22	88.62
Niakafiri West	0.95	0.95	91.22	88.62
Goumbati West/Kobokoto	0.95	0.95	88.69	85.85
Sofia Main	1.00	1.00	92.00	86.00
Sofia North	1.00	1.00	91.00	86.00
Central Zone	0.97	0.97	93.00	79.60
North Zone	0.99	0.99	85.00	88.30
Delya	0.99	0.99	93.00	88.30
Golouma West 1 Underground	-	0.93-0.95	-	90.23
Golouma West 2 Underground	-	0.93-0.95	-	90.23
Golouma South Underground	-	0.93-0.95	-	90.23
Kerekounda Underground	-	0.93-0.95	-	90.23

Table 9-16: Sabodala-Massawa Gold Mine: assumed operating cost inputs (cut-off-grade)

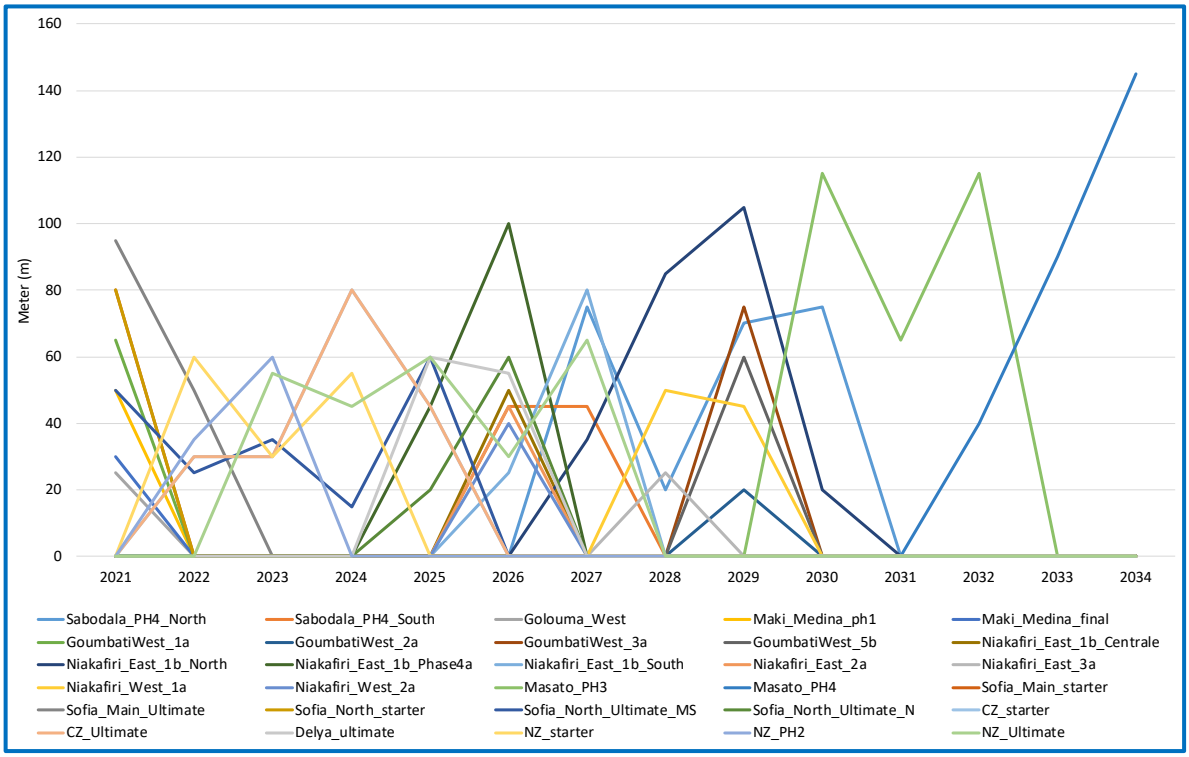
Deposit	Operating Expenditure					Marginal-Cost		Full Cost	
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	G&A-Ox	G&A-Fr (US$/t)	Oxide (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Fresh (US$/t)
Sabodala	2.66	9.31	10.84	3.87	4.19	13.18	15.03	15.85	17.69
Masato	2.37	9.65	11.41	4.29	4.45	13.94	15.86	16.31	18.23
Golouma West	2.80	12.31	12.31	4.73	4.73	17.04	17.04	19.84	19.84
Maki Medina	2.73	10.79	12.38	4.13	5.13	14.92	17.51	17.65	20.24
Niakafiri East	2.52	9.33	11.06	3.89	4.19	13.22	15.25	15.75	17.77
Niakafiri West	2.27	9.33	11.06	3.89	4.19	13.22	15.25	15.49	17.52
Goumbati West/Kobokoto	2.20	11.79	13.31	4.71	4.65	16.50	17.96	18.70	20.16
Sofia Main	2.34	13.14	14.66	5.05	5.53	18.19	20.19	20.53	22.54
Sofia North	2.54	13.16	14.65	5.20	5.27	18.36	19.92	20.90	22.45
Central Zone	2.52	12.97	16.93	4.60	4.07	17.57	21.00	20.09	23.52
North Zone	2.40	13.20	39.64	5.32	3.74	18.52	43.38	20.92	45.78
Delya	2.49	13.34	40.23	3.65	3.65	16.99	43.88	19.48	46.37
Golouma West 1 Underground	72.23	-	12.31		4.46	-	16.77	72.23	89.00
Golouma West 2 Underground	72.23	-	12.31		4.46	-	16.77	72.23	89.00
Golouma South Underground	72.23	-	12.31		4.46	-	16.77	72.23	89.00
Kerekounda Underground	72.23	-	12.31		4.46	-	16.77	72.23	89.00

Table 9-17: Sabodala-Massawa Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed	
	Oxide (g/tAu)	Fresh (g/tAu)
Sabodala	0.38	0.43
Masato	0.39	0.45
Golouma West	0.48	0.50
Maki Medina	0.44	0.50
Niakafiri East	0.37	0.43
Niakafiri West	0.37	0.43
Goumbati West/Kobokoto	0.47	0.53
Sofia Main	0.50	0.59
Sofia North	0.51	0.59
Central Zone	0.48	1.24
North Zone	0.55	1.24
Delya	0.46	1.26
Golouma West 1 Underground	-	2.53
Golouma West 2 Underground	-	2.53
Golouma South Underground	-	2.53
Kerekounda Underground	-	2.56

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints (Figure 9-8). Due to the prevailing conditions at Sabodala-Massawa Gold Mine, open pit sink rates are generally less than the recommended 80m to 100m range with only limited occurrences of certain stages surpassing the upper end of this recommended range. During the early periods of mining the Massawa CZ pit, the sink rate has been specifically limited to 30m per annum recognising the constraints imposed through the assumed selective mining option and assumed hydrogeological conditions.

Figure 9-8: Sabodala-Massawa Gold Mine: open pit sink rate assessment (Sabodala Deposits)



9.4.4 Hydrology and Dewatering

Slope Depressurisation

Historically, hydrogeological constraints at the Sabodala Licence deposits have been managed with minimal infrastructure with pit in-flows requiring 2l/s to 20l/s to be pumped out. Surface water was managed by ditch systems around the pit perimeter and in-pit was by in-pit sumps. Integration of the Massawa Licence deposits as envisaged in the current LoMp has required a change in the mining sequence where mining operations have transitioned from the Sabodala deposits to mining of the higher grade Massawa deposits which will have different hydrogeological requirements, before returning to the Sabodala deposits later in the mine life.

The hydrogeological assessment for the SM 2019 FS concluded that due to the naturally shallow groundwater levels across the site (typically 10m to 30m below surface), groundwater inflow to the excavations will occur throughout mining. The groundwater inflow horizons are associated with the near surface weathered horizons, and the north-northeast to south-southwest fracture zones and lithological contacts at depth. In general, the sedimentary units are more permeable than the igneous units. The inflows depend on the hydraulic characteristics of the units, the pit size, and the mining advance rate. Due to the accelerated mining rate of each pit, high groundwater drawdown rates need to be achieved to keep pace with the operation. The likely range of pumping rates per pit over the LoMp are as follows:

- Massawa CZ averaging 70l/s and ranging from 19l/s to 96l/s;
- Massawa NZ averaging 18l/s and ranging from 7l/s to 21l/s;
- Sofia Main averaging 10l/s and ranging from 1l/s to 14l/s;
- Sofia North averaging 17l/s and ranging from 12l/s to 22l/s; and
- Delya averaging 3l/s and ranging from 1l/s to 3/s.

According to the geophysical surveys, the monitoring data, the in-situ hydraulic testing, and the

calibrated numerical forecast models, the majority of the groundwater can be intercepted by perimeter and in-pit dewatering wells (approximately 80% of groundwater inflow). The remaining water will be drained using sub-horizontal drains drilled into the pit wall which will collect in the in-pit sumps. As part of the SMEP 2020 PFS, the capital and operating costs associated to the perimeter wells, in-pit wells and sub-horizontal drains drilled into the pit wall were included for Massawa CZ, Massawa NZ and Delya. The anticipated Massawa deposit open pit in-flows prior to interception methods are close to the historic in-flows seen at the Sabodala deposits, with the exception of Massawa CZ. Once the majority of the in-flow has been intercepted at Massawa CZ (approximately 80%), the actual pit in-flows to be managed are assumed to be within historical ranges experienced at the Sabodala Deposits.

In certain years the rate of deepening at Massawa CZ exceeds the initial reduced limiting rate of 40m per annum, accordingly further work is required to assess the extent of active dewatering and if necessary, supplementing this to ensure that the slopes are adequately depressurised. Mining at the Sophia North open pit will initially take place without a river diversion, which brings associated risks of pit flooding under extreme rainfall, accordingly further technical investigations are recommended to assess the potential risk associated with this changed strategy.

Water Management

The impact assessment completed to date, focus either on Sabodala or Massawa operations at a site (local) scale. Any cumulative impacts, such as these may occur within the overall catchment have not yet been assessed and further work is required to refine this understanding. The current catchment risks include high baseline water stress, high drought frequency probability, and high downstream freshwater dependent biodiversity including a UNESCO Key Biodiversity Area (Niokolo-Koba National Park).

The water balance assessments completed to date are limited in nature and do not include a detailed site wide water and/or load balances and surplus water discharge requirements, are currently uncertain. The SMEP 2020 PFS assumes freshwater would be available from 2020 onwards, however it is unclear how this will be achieved. Given the high-water resource stress in the catchment, with particular scarcity of surface water, completion of a make-up water supply is planned as part of the SM 2021 FS.

There is currently a lack of hydrogeological characterisation and baseline groundwater quality monitoring, particularly at the Massawa deposits leading to deficiencies in the current assessment of potential water impacts.

Certain historical technical groundwater studies reference the presence of arsenic and antimony in groundwater proximal to some/all of the Massawa deposits. Accordingly, there remains a risk that water extracted from the water table in advance of mining operations would need to be treated prior to environmental discharge. The SMEP 2020 PFS assumes that in-pit dewatering and other waste dump run-off may contain low levels of arsenic and antimony and that a simple greensand filtration system, which is highly effective at simple adsorption at these lower concentrations, is sufficient for water treatment requirements.

Processing of ores from the Massawa deposits therefore require various considerations to ensure that there is minimal impact on water quality. The technical studies completed to date require further work to advance these to feasibility study level specifically to assess the extent to which active water treatment is required for both pit dewatering and near mine surface water run-off. The current SMEP P2020 PFS includes an allowance for construction of a water treatment plant at a capital investment of US$0.4m which is planned as part of the Phase 2 expansion.

Decant water from TSF1 is currently returned for use in the process plant with zero discharge to the environment and little or no requirement to use fresh water from the raw water dams (depending on the seasonal / annual rainfall) to top up the process water circuit. Following construction of TSF2 the increased TSF footprint will increase both the rainfall catchment area and the opportunity for evaporative loss of excess water. A preliminary water balance indicates that the TSF1/2 process water circuits will be in surplus in an average year. In all cases the water balance will be in deficit during the dry season. The TSF1/2 decant water can also be treated using Outotec's ASTER® water treatment technology to make it suitable for use as process water in the SM ROT Plant.

The acidic solution from the Counter Current Detoxification ("**CCD**") circuit is pumped to the first of six agitated neutralization tanks arranged in series. The solution flows by gravity from the first to the last tank in series. Flotation tailings, limestone and lime are used for neutralizing the BIOX liquor in agitated and aerated tanks. Thickened flotation tailings, containing carbonate minerals, is added to the first, second and, if required, third neutralization tank to reduce the quantity of limestone required. Limestone slurry is added to the second and third neutralization tank to raise the pH to 4.5. Milk of lime slurry is added to the fifth and sixth neutralization tank to raise the pH to 7. Neutralised slurry is pumped to the arsenic precipitation thickener and the thickener overflow gravitates to the BIOX process water tank for reuse and the thickener underflow is pumped to TSF1B which will be constructed within the TSF1 footprint.

The SMEP 2020 PFS indicates that water from the TSF1B facility is unsuitable for use in either the process plants without treatment due to high levels of dissolved sulphates, metals and cyanide decomposition products. This water, estimated to be some 40m^3/h, and is planned to be disposed of by evaporation by natural or forced methods. Alternatively, a number of treatment options are available including the use of the Outokumpu ASTER® process and an allowance for water treatment has been included in current capital estimate. The requirement for water treatment will be further quantified by future laboratory testing which is presently underway as part of the SMEP 2021 FS.

9.4.5 Mining Geotechnics

Mine designs are generally based on various independent geotechnical investigation reports completed for the majority of the open pits for which Ore Reserves are presently reported. Owing to the presence of weak saprolite material, high rainfall environment and proximity to water courses in certain instances, pit slope stability will remain a key focus for maintaining continuous safe operations. A summary of the detailed analysis of geotechnical and hydrogeological assumptions relating each of the open pits which inform the current LoMp is included in Table 9-18.

The majority of the open pit geotechnical design recommendations have been generated by third party independent consultant Xstract which have developed geotechnical models for the majority of the deposits located on the Sabodala Licence. Design Factor of Safety targets for overall scale slopes of greater than 1.2 to 1.3 (i.e., 20% to 30% safety margin) are utilized, with actual results for overall scale slopes typically returning values greater than the target due to the generally good quality rock mass. Slope designs through the weathered materials tend to return lower factors of safety due to the poorer quality and highly variable nature of these materials. Slope performance to date in existing pits, suggests that stability analysis generally tends to underestimate the performance of these materials, with occasional small slow-moving failures in the extreme worst quality materials which generally have not impacted the mining schedule or costs to any great extent.

Mine design geotechnical investigations for the Massawa pits were carried out by MineNet

Consulting Limited ("**MineNet**") in 2018. The designs in the SMEP 2020 PFS were based on the recommendations by MineNet.

Key comments and observations in respect of the geotechnical assumptions are:

- **Sabodala Open Pit:** The geotechnical design criteria have been provided by Xstract and reviews by the same indicate good geotechnical conditions and slope performance. The current open pit inter ramp angle appears to be approximately 5° below the recommended design angle;
- **Golouma Open Pit:** This open pit was depleted in Q1 2021. Whilst no geotechnical data or report was available analysis of the year end topographical survey indicates that the slope geometry is appropriate;
- **Niakafiri East Open Pit:** The inter-ramp angle in saprolite is marginally steeper than recommended design inter-ramp angles and the current pit design incorporates a 60m thick saprolite section with design assumptions based on depressurised slopes;
- **Masato Open Pit:** A number of multi-bench instabilities have occurred during mining although it appears these have been singular events and not common occurrences. The east wall of the pit will be controlled by the foliation dip angle and when undercut, planar instability will occur. In general, the reserve pit slope design honours the Xstract developed geotechnical design criteria for Phase 3;
- **Sofia Main and North Open Pits:** At Sofia Main the slope designs have assumed that the slopes will be depressurised and given the presence of variable saprolite thickness it is recommended that the southern sector of the footwall will require advanced dewatering. Mining of Sofia North will now take place without a river diversion, which brings associated risks of transient pore water pressure increases above the design assumption as well as pit flooding under extreme rainfall;
- **Massawa North and Central Zone Open Pits:** Given the significant intersections of saprolite the performance of these slopes will likely be influenced by the presence of pore pressure and the proposed IRA is considered to be high. Within the fresh rock slopes the footwall foliation will control batter and inter-ramp angles. At the central zone the sink rates have been initially limited to less than 40m per annum, however during the latter two years of operation the sink rates increase to a high of 80m for one year which may be difficult to achieve given the active dewatering required; and
- **Delya Open Pit:** Delya allows for vertical advance rates up to 60m per year which may exceed the maximum feasible dewatering drawdown rate with the current dewatering system. Accordingly, further technical work is required to reassess the dewatering configuration and or reduce the currently assumed production rates.

Table 9-18: Sabodala-Massawa Gold Mine: geotechnical and hydrogeological design considerations

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
Sabodala	SRK have been provided with a Solid rather than an engineered pit design for Sabodala. The geotechnical design criteria have been provided by Xstract and reviews by the same indicate good geotechnical conditions and slope performance. Reserve pit IRA appears to be ~5° below the recommended design angle.	~ Sap IRA (°)	34.5	~Sap Thickness (m)	Minimal
				~ Sap IRA (°)	TBC
		~ Rock IRA (°)	56.7	~ Rock Thickness (m)	~200
	Dewatering/depressurisation			~ Rock IRA (°)	~51°
				Slopes assumed dry	Yes, but pre pressure ratio applied.
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	north (38°), east (51°), west (45°)
				~Maximum Elevation (m)	711
				~Minimum Elevation (m)	415

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
				~Max Depth (m)	296
Golouma West	Open pit is now depleted and will be transitioning to an underground operation.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~60
				~ Sap IRA (°)	36
		~ Rock IRA (°)	50.9-54.9	~ Rock Thickness (m)	~110
				~ Rock IRA (°)	53
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Yes
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	north (49), east (42), west (42), pit bottom (70)
				~Maximum Elevation (m)	290
				~Minimum Elevation (m)	45
				~Max Depth (m)	245
Maki Medina	Geotechnical design criteria developed by Xstract in 2015. No geotechnical reviews appear to have been undertaken.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~20
				~ Sap IRA (°)	39
		~ Rock IRA (°)	47.5-50.9	~ Rock Thickness (m)	~65
				~ Rock IRA (°)	48
	Dewatering/depressurisation			Slopes assumed dry	Yes, in Saprolite and Transition
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	45°
				~Maximum Elevation (mRL)	735
				~Minimum Elevation (mRL)	640
				~Max Depth (m)	95
Niakafiri East	Geotechnical design criteria developed by Xstract in 2015. Reserve pit inter-ramp angle in saprolite is a little steeper than recommended design inter-ramp angle. Saprolite ~60m thick and designed on the assumption that the slopes will be depressurised.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~60
				~ Sap IRA (°)	38
		~ Rock IRA (°)	44.2-54.3	~ Rock Thickness (m)	~150
				~ Rock IRA (°)	47-54
	Dewatering/depressurisation			Slopes assumed dry	Yes, in Saprolite
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	35 to 40
				~Maximum Elevation (mRL)	730
				~Minimum Elevation (mRL)	510
				~Max Depth (m)	220
Niakafiri West	Geotechnical design criteria developed by Xstract in 2015. Saprolite ~80m thick and designed on the assumption that the slopes will be depressurised.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~80
				~ Sap IRA (°)	36
		~ Rock IRA (°)	44.2-54.3	~ Rock Thickness (m)	65
				~ Rock IRA (°)	48
	Dewatering/depressurisation			Slopes assumed dry	Yes, in Saprolite and Transition
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	35 to 40
				~Maximum Elevation (mRL)	710
				~Minimum Elevation (mRL)	640
				~Max Depth	70
Goumbati West	Geotechnical design criteria developed by Xstract in 2015 and 2017. Pit primarily comprised of saprolite that has been designed on the basis that it will be depressurised.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~45
				~ Sap IRA (°)	38
		~ Rock IRA (°)	44.2-50.9	~ Rock Thickness (m)	N/A
				~ Rock IRA (°)	N/A
	Dewatering/depressurisation			Slopes assumed dry	Yes, in Saprolite and Transition
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	35 to 40
				~Maximum Elevation (mRL)	190
				~Minimum Elevation (mRL)	150
				~Max Depth (m)	40
Masato	Phase 3 slope design undertaken by Xstract in December 2016. A number of multi-bench instabilities have occurred during mining although it appears these have been singular events and not common occurrences. The East Wall of the pit will be controlled by the foliation dip angle and when undercut, planar instability will occur. In general, the reserve pit slope design honour the Xstract developed geotechnical design criteria for Phase 3.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~70
				~ Sap IRA (°)	37
		~ Rock IRA (°)	47.5-54.3	~ Rock Thickness (m)	~190
				~ Rock IRA (°)	47-54
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	40
				~Maximum Elevation (mRL)	760

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
				~Minimum Elevation (mRL)	525
				~Max Depth	235
Sofia Main	Geotechnical Site Investigation and Open Pit Slope Design for Sophia Main. MineNet. June 2017. Sophia Pits Geotechnical Design Review. Xstract. August 2020.	~ Sap IRA (°)	<40m 44	~Sap Thickness (m)	None in reserve pit
			>40m 40	~ Sap IRA (°)	None in reserve pit
		~ Rock IRA (°)	FW 51.6	~ Rock Thickness (m)	~110
			HW 55	~ Rock IRA (°)	50-55
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	10 planned
				Drainholes	Planned
	Open Pit Design Summary			~Overall Slope Angle (°)	40
				~Maximum Elevation (m)	160
				~Minimum Elevation (m)	50
				~Max Depth (m)	110
Sofia North	Geotechnical Site Investigation and Open Pit Slope Design for Sophia North. MineNet. February 2018. Sophia Pits Geotechnical Design Review. Xstract. August 2020.	~ Sap IRA (°)	40	~Sap Thickness (m)	Variable
				~ Sap IRA (°)	40
		~ Rock IRA (°)	FW 54.3	~ Rock Thickness (m)	~123
			HW 52.2	~ Rock IRA (°)	49-55
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	5 planned
				Drainholes	Planned
	Open Pit Design Summary			~Overall Slope Angle (°)	45
				~Maximum Elevation (m)	150
				~Minimum Elevation (m)	5
				~Max Depth (m)	135
North Zone	Massawa Project: Geotechnical Site Investigations for Open Pit Slope Design. MineNet. December 2010. Review and Appraisal of the Massawa North Zone and Central Zone Open Pit Slope Design. MineNet. December 2018. Massawa Combined Geotechnical Design Review. Xstract. December 2020.	~ Sap/Tr IRA (°)	42/45.9	~Sap/Tr Thickness (m)	max. ~90
				~ Sap/Tr IRA (°)	40/45
		~ Rock IRA (°)	FW 54.3	~ Rock Thickness (m)	~130
			HW 52.5	~ Rock IRA (°)	53-54
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	19 planned
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	46
				~Maximum Elevation (m)	240
				~Minimum Elevation (m)	30
				~Max Depth (m)	135
Delya	Massawa Project: Geotechnical Site instigations for Open Pit Slope Design. MineNet. December 2010. Review and Appraisal of the Massawa North Zone and Central Zone Open Pit Slope Design. MineNet. December 2018. Massawa Combined Geotechnical Design Review. Xstract. December 2020.	~ Sap IRA (°)	40	~Sap Thickness (m)	~50
				~ Sap IRA (°)	40
		~ Rock IRA (°)	FW 54	~ Rock Thickness (m)	max. 76
			HW 56	~ Rock IRA (°)	54-56
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	49
				~Maximum Elevation (m)	170
				~Minimum Elevation (m)	80
				~Max Depth (m)	90
Central Zone	Massawa Project: Geotechnical Site investigations for Open Pit Slope Design. MineNet. December 2010. Review and Appraisal of the Massawa North Zone and Central Zone Open Pit Slope Design. MineNet. December 2018. Massawa Combined Geotechnical Design Review. Xstract. December 2020.	~ Sap IRA (°)	42	~Sap Thickness (m)	~30
				~ Sap IRA (°)	41
		~ Rock IRA (°)	FW 54.3	~ Rock Thickness (m)	~70
			HW 52.5	~ Rock IRA (°)	54-52
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	11 planned
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	44
				~Maximum Elevation	180
				~Minimum Elevation	25
				~Max Depth	155

9.4.6 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Sabodala-Massawa Gold Mine (Table 9-19) includes 77.4Mt grading 1.93g/tAu and containing 4.8MozAu, comprising:

- Proved Ore Reserves of 17.3Mt grading 1.25g/tAu and containing 696kozAu; and
- Probable Ore Reserves of 60.1Mt grading 2.12g/tAu and containing 4,101MozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 17.0Mt grading 1.68g/tAu; and transitional/fresh material of 60.3Mt grading 2.00g/tAu. Ore Reserves reporting to stockpiles comprise a total of 8.2Mt grading 0.79g/tAu containing 210kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as 'open-pit' and 'underground' reported within engineered designs as referenced herein. In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz for the open pit Ore Reserves and US$1,200/oz for the underground Ore Reserves; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type and process route per deposit and which generally range from 0.37g/tAu to 1.26g/tAu for the open pit Ore Reserves and 2.50g/tAu for underground ore Reserves.

Table 9-20 presents a summary of the Ore Reserves to gold price sensitivity which compares the current Ore Reserves with the results of raw pit optimisations (measured and indicated categories only) with increasing gold price. In summary it is clear that at higher gold prices, increased mining inventory potential is dependent on conversion/upgrading of material currently classified in the inferred category as reflected by the current Mineral Resource statement reported at a gold price of US$1,500/ozAu. Currently Inferred Mineral Resources reports: open pit Mineral Resources of 17.5Mt grading 1.57g/tAu for a total contained metal of 0.9MozAu; and underground Mineral Resources of 6.8Mt grading 3.87g/tAu for a total contained metal of 0.8MozAu. Furthermore, the current pit design supporting the Ore Reserves also includes a total of 2.8Mt grading 1.21g/tAu and containing 107kozAu which reports to the inferred category but is for the purpose of the LoMp schedule included as waste material.

Table 9-19: Sabodala-Massawa Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Sabodala o/p	1,875	1.59	96	24	0.96	1	-	-	-	1,851	1.60	95
Maki Medina o/p	270	1.40	12	6	1.27	0	-	-	-	264	1.40	12
Niakafiri East o/p	4,682	1.30	196	739	1.46	35	-	-	-	3,943	1.27	162
Sofia o/p	1,695	2.09	114	968	2.12	66	-	-	-	726	2.04	48
Massawa CZ o/p	559	3.82	69	470	3.61	55	-	-	-	88	4.94	14
Stockpile	8,217	0.79	210	-	-	-	-	-	-	8,217	0.79	210
Subtotal	**17,298**	**1.25**	**696**	**2,207**	**2.20**	**156**	**-**	**-**	**-**	**15,090**	**1.11**	**540**
Probable												
Sabodala o/p	2,792	1.37	123	1	0.55	0	-	-	-	2,791	1.37	123
Masato o/p	18,436	1.10	653	1,445	0.77	36	-	-	-	16,991	1.13	618
Golouma o/p	74	2.16	5	-	-	-	-	-	-	74	2.16	5
Golouma u/g	1,544	5.03	250	-	-	-	-	-	-	1,544	5.03	250
Kerekounda u/g	605	4.95	96	-	-	-	-	-	-	605	4.95	96
Niakafiri East o/p	10,245	1.08	356	2,157	0.89	62	-	-	-	8,088	1.13	295
Niakafiri West o/p	1,249	1.03	42	429	1.05	14	-	-	-	820	1.03	27
Goumbati West o/p	883	1.37	39	832	1.35	36	-	-	-	52	1.66	3
Sofia o/p	7,321	2.46	579	967	1.64	51	-	-	-	6,355	2.58	528
Massawa CZ o/p	10,071	3.34	1,082	3,923	2.12	267	-	-	-	6,148	4.12	815
Massawa NZ o/p	5,920	4.06	773	1,906	2.90	178	-	-	-	4,014	4.61	596
Delya o/p	926	3.43	102	500	3.24	52	-	-	-	427	3.65	50
Subtotal	**60,068**	**2.12**	**4,101**	**12,159**	**1.78**	**696**	**-**	**-**	**-**	**47,908**	**2.21**	**3,404**
Ore Reserves												
Sabodala o/p	4,667	1.46	218	25	0.94	1	-	-	-	4,641	1.46	218
Masato o/p	18,436	1.10	653	1,445	0.77	36	-	-	-	16,991	1.13	618
Golouma o/p	74	2.16	5	-	-	-	-	-	-	74	2.16	5
Golouma u/g	1,544	5.03	250	-	-	-	-	-	-	1,544	5.03	250
Kerekounda u/g	605	4.95	96	-	-	-	-	-	-	605	4.95	96
Maki Medina o/p	270	1.40	12	6	1.27	0	-	-	-	264	1.40	12
Niakafiri East o/p	14,927	1.15	552	2,896	1.03	96	-	-	-	12,031	1.18	456
Niakafiri West o/p	1,249	1.03	42	429	1.05	14	-	-	-	820	1.03	27
Goumbati West o/p	883	1.37	39	832	1.35	36	-	-	-	52	1.66	3
Sofia o/p	9,016	2.39	693	1,935	1.88	117	-	-	-	7,081	2.53	575
Massawa CZ o/p	10,629	3.37	1,151	4,393	2.28	322	-	-	-	6,236	4.13	829
Massawa NZ o/p	5,920	4.06	773	1,906	2.90	178	-	-	-	4,014	4.61	596
Delya o/p	926	3.43	102	500	3.24	52	-	-	-	427	3.65	50
Stockpile	8,217	0.79	210	-	-	-	-	-	-	8,217	0.79	210

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Total	**77,365**	**1.93**	**4,796**	**14,367**	**1.85**	**853**	**-**	**-**	**-**	**62,998**	**1.95**	**3,944**

Table 9-20: Sabodala-Massawa Gold Mine: mining inventory gold price sensitivity analysis as at 31 December 2020[(1)]

Gold Price (US$/oz)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
1,300	77,365	1.93	4,797
1,400	80,499	1.87	4,848
1,500	83,273	1.83	4,890

(1) Note that the mining inventory reported at a gold price of US$1,300/oz reflects the current Ore Reserves as reported herein and that for the higher price assumptions these reflect the material reporting within raw optimisation shells which have not been subject to detailed engineering pit designs and specifically do not include any revised analysis for the underground mining operations which remain static at an assumed gold price of US$1,200/oz.

9.4.7 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements (prior to 2019) have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 9-21 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted are: an overall reduction of 22koz which compares with total mining depletion of 318kozAu. Ore Reserves were reported within designed shells assuming a gold price ranging from US$1,100/oz to US$1,250/oz for 2016 through 2018, US$1,200/oz for 2019 and US$1,300/oz for 2020.

Table 9-21 presents a total Ore Reserve comparison between historical reporting periods for Sabodala-Massawa Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated additions of 9Mt grading 1.65g/tAu for a total of 0.5Moz despite depletion of 14.4Mt grading 2.51g/tAu for a total of 1.2Moz. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Sabodala Massawa Gold Mine over the reporting period considered.

Table 9-21: Sabodala-Massawa Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
Sabodala o/p	1,875	1.59	96	(5)	(0.05)	(3)	1,880	1.64	99
Maki Medina o/p	270	1.40	12	270	1.40	12	-	-	-
Niakafiri East o/p	4,682	1.30	196	193	(0.04)	3	4,489	1.34	193
Massawa CZ o/p	1,695	2.09	114	1,695	2.09	114	-	-	-
Massawa NZ o/p	559	3.82	69	20	(0.12)	0	539	3.94	68
Stockpile	8,217	0.79	210	1,000	0.06	40	7,218	0.73	170
Subtotal	**17,298**	**1.25**	**696**	**3,172**	**0.08**	**165**	**14,126**	**1.17**	**530**
Probable									
Sabodala o/p	2,792	1.37	123	45	(0.04)	(2)	2,747	1.41	125
Masato o/p	18,436	1.10	653	669	(0.02)	10	17,767	1.13	644
Golouma o/p	74	2.16	5	(2,030)	0.15	(131)	2,103	2.01	136
Golouma u/g	1,544	5.03	250	-	-	-	1,544	5.03	250
Kerekounda u/g	605	4.95	96	-	-	-	605	4.95	96
Maki Medina o/p	-	-	-	(835)	(1.19)	(32)	835	1.19	32
Niakafiri East o/p	10,245	1.08	356	813	(0.06)	11	9,433	1.14	345
Niakafiri West o/p	1,249	1.03	42	118	(0.06)	2	1,131	1.10	40
Goumbati West o/p	883	1.37	39	(504)	0.04	(20)	1,388	1.33	59
Massawa CZ o/p	7,321	2.46	579	(910)	0.06	(56)	8,231	2.40	634
Massawa NZ o/p	10,071	3.34	1,082	667	(0.18)	17	9,404	3.52	1,065
Massawa NZ u/g	5,920	4.06	773	319	(0.17)	12	5,601	4.23	762
Delya o/p	926	3.43	102	49	(0.13)	2	878	3.56	101
Subtotal	**60,068**	**2.12**	**4,101**	**(1,600)**	**(0.04)**	**(187)**	**61,668**	**2.16**	**4,288**
Ore Reserves									
Sabodala o/p	4,667	1.46	218	40	(0.05)	(5)	4,627	1.50	224
Masato o/p	18,436	1.10	653	669	(0.02)	10	17,767	1.13	644
Golouma o/p	74	2.16	5	(2,030)	0.15	(131)	2,103	2.01	136
Golouma u/g	1,544	5.03	250	-	-	-	1,544	5.03	250
Kerekounda u/g	605	4.95	96	-	-	-	605	4.95	96

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Maki Medina o/p	270	1.40	12	(565)	0.21	(20)	835	1.19	32
Niakafiri East o/p	14,927	1.15	552	1,005	(0.05)	14	13,922	1.20	538
Niakafiri West o/p	1,249	1.03	42	118	(0.06)	2	1,131	1.10	40
Goumbati West o/p	883	1.37	39	(504)	0.04	(20)	1,388	1.33	59
Massawa CZ o/p	9,016	2.39	693	785	(0.01)	58	8,231	2.40	634
Massawa NZ o/p	10,629	3.37	1,151	686	(0.18)	18	9,943	3.54	1,133
Massawa NZ u/g	5,920	4.06	773	319	(0.17)	12	5,601	4.23	762
Delya o/p	926	3.43	102	49	(0.13)	2	878	3.56	101
Stockpile	8,217	0.79	210	1,000	0.06	40	7,218	0.73	170
Total	**77,365**	**1.93**	**4,796**	**1,572**	**(0.05)**	**(22)**	**75,793**	**1.98**	**4,818**

Table 9-22: Sabodala-Massawa Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	82,752	2.06	5,482	2,132	2.66	182
2017	84,620	1.98	5,400	2,101	3.48	235
2018	73,660	2.03	4,810	1,921	3.62	223
2019	75,793	1.98	4,818	2,909	2.15	201
2020	77,365	1.93	4,796	5,288	1.87	318
Period	**2016 - Less depletion**			**2016 Depleted Variance**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	80,620	2.04	5,300	2,132	0.02	182
2017	78,519	2.01	5,065	6,101	(0.02)	335
2018	76,598	1.97	4,841	(2,938)	0.07	(31)
2019	73,689	1.96	4,640	2,104	0.02	178
2020	68,401	1.97	4,322	8,965	(0.04)	474

9.4.8 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2034 with total material mined of 436.2Mt, comprising open pit ore of 67.0Mt grading 1.97g/tAu at an average stripping ratio of 5.5t_{waste}:t_{ore} (Table 9-23; Table 9-24). Oxide material contributes some 30% of total material mined with transitional and fresh material contributing the remaining 70%. Mining production in 2021 is projected from five open pits (Figure 9-9) reducing to three pits in 2022 and largely remaining at this level for the majority of the LoMp other than for the last four years of production (from 2031 through 2034) which reduces to one open pit (Table 9-25).

Total open pit mined production in 2021 is forecasted at 40.2Mt, reducing to 30Mt by 2026 thereafter remaining constant at this level through to 2034. Open pit ore mining varies considerably per annum ranging from a low of 2Mt to a high of 8Mt in 2033. From 2022 through 2027 ore mining also comprises refractory fresh ores from the Massawa deposits which increases to a maximum of 2.7Mtpa in 2024 prior to returning to CIL oxide and fresh feed in 2028 which continues through to planned open pit depletion in 2034. RoM grades remain generally range bound between 2.00g/tAu and 4.00g/tAu from 2021 through 2025 thereafter reducing to less than 1.5g/tAu following depletion of ores from the Massawa deposits.

Accordingly, the stockpiling strategy assumes the development of numerous grade categories which are managed at both satellite RoM and SM CIL Plant and SM ROT RoM pads. Table 9-26 presents a summary by deposit of the ore grade categories which indicate that HG and MG together contribute 38% of the tonnage and 74% of the contained gold mined with, LG contributing 20% of the tonnage and 12% of the contained gold mined and the marginal grade ore representing 42% of the tonnage and 14% of the contained gold mined. Stockpile management over the LoMp indicates that total stockpile volumes for SM CIL Plant ores increase from the current 8.2Mt to in excess of 12.4Mt and averaging about 9.5Mt with ROT Plant ores reaching a maximum of 2.0Mt.

Mining operating expenditures per deposit are reported in Table 9-27 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$2.79/$t_{mined}$ with expenditures being generally ranging between US$2.43/$t_{mined}$ and US$3.65/$t_{mined}$.

Underground mining operations are planned to commence in 2028 and continue through to 2036 with a total of 2.1Mt grading 5.01g/tAu mined at a combined rate of 1,000tpd from two underground mining operations. All ore mined is destined for the SM CIL Plant and is processed as fresh ore which is amenable to conventional milling and cyanidation. Unit mining cost are assumed at US$72.23/t of ore mined for the duration of LoMp mining operations.

Table 9-23: Sabodala-Massawa Gold Mine: open pit and underground LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Fresh (%)
Sabodala	37,266	4,667	32,599	7.0	0.4	99.6
Golouma	175	74	102	1.4	-	100.0
Masato	131,887	18,436	113,451	6.2	13.1	86.9
Maki Medina	1,303	270	1,033	3.8	1.2	98.8
Goumbati West	7,517	883	6,634	7.5	97.1	2.9
Niakafiri East	66,581	14,927	51,654	3.5	28.8	71.2
Niakafiri West	8,392	1,249	7,143	5.7	51.0	49.0
Sofia	56,512	9,016	47,496	5.3	32.2	67.8
Massawa CZ	72,794	5,920	66,873	11.3	48.4	51.6
Massawa NZ	43,899	10,629	33,270	3.1	48.3	51.7
Delya	7,755	926	6,828	7.4	60.1	39.9
Underground	2,149	2,149	-	-	-	100.0
Total	**436,230**	**69,148**	**367,082**	**5.3**	**29.2**	**70.8**
Sabodala	255,270	42,656	212,614	5.0	18.9	81.1
Massawa	180,960	26,492	154,468	5.8	43.8	56.2
Total	**436,230**	**69,148**	**367,082**	**5.3**	**29.2**	**70.8**

Table 9-24: Sabodala-Massawa Gold Mine: open pit and underground deposits ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Sabodala	4,667	1.46	218
Golouma	74	2.16	5
Masato	18,436	1.10	653
Maki Medina	270	1.40	12
Goumbati West	883	1.37	39
Niakafiri East	14,927	1.15	552
Niakafiri West	1,249	1.03	42
Sofia	9,016	2.39	693
Massawa NZ	5,920	4.06	773
Massawa CZ	10,629	3.37	1,151
Delya	926	3.43	102
Underground	2,149	5.01	346
Total	**69,148**	**2.06**	**4,587**
Sabodala	42,656	1.36	1,868
Massawa	26,492	3.19	2,719
Total	**69,148**	**2.06**	**4,587**

Table 9-25: Sabodala-Massawa Gold Mine: open pit and underground mining start and depletion periods

Deposit	Start	End
Sabodala	2024	2029
Golouma	2021	2021
Masato	2029	2034
Maki Medina	2021	2021
Goumbati West	2021	2029
Niakafiri East	2025	2029
Niakafiri West	2026	2028
Sofia	2021	2024
Massawa NZ	2022	2027
Massawa CZ	2021	2025
Delya	2025	2026
Underground	2028	2036
Total	**2021**	**2036**

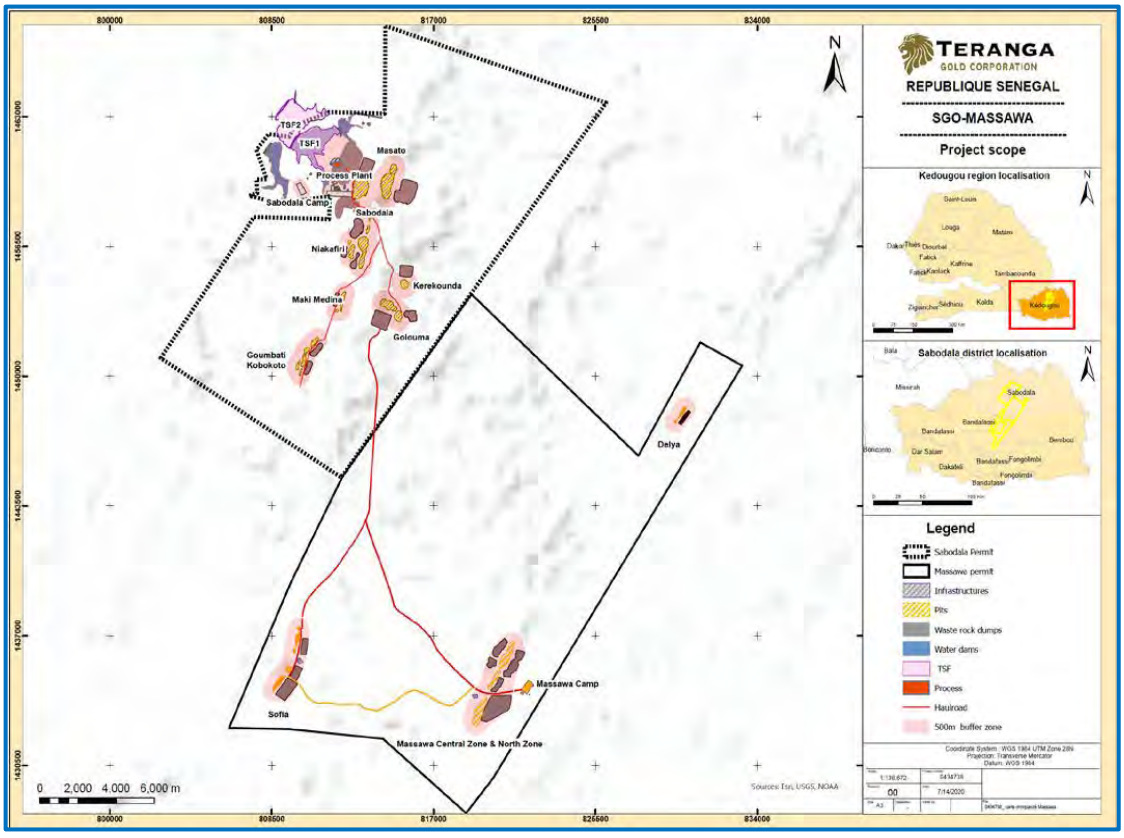
Table 9-26: Sabodala-Massawa Gold Mine: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Sabodala	1,050	3.13	106	575	1.74	32	892	1.21	35	2,150	0.67	46
Golouma	31	3.45	3	10	1.80	1	19	1.25	1	14	0.79	0
Masato	1,820	2.87	168	1,803	1.71	99	3,992	1.21	155	10,821	0.67	231
Maki Medina	48	2.79	4	46	1.71	3	73	1.23	3	104	0.74	2
Goumbati West	138	3.21	14	118	1.72	7	239	1.23	9	389	0.69	9
Niakafiri East	1,752	2.98	168	1,441	1.72	80	3,080	1.22	121	8,654	0.66	184
Niakafiri West	113	2.95	11	104	1.73	6	204	1.22	8	828	0.64	17
Sofia	3,707	4.17	497	1,228	1.73	68	1,774	1.23	70	2,308	0.77	57
Massawa NZ	4,120	5.26	697	671	1.74	38	689	1.30	29	441	0.75	11
Massawa CZ	4,343	6.58	919	1,429	1.73	79	2,258	1.24	90	2,599	0.75	63
Delya	625	4.45	89	117	1.73	7	98	1.29	4	86	0.73	2
UG	2,149	5.01	346	-	-	-	-	-	-	-	-	-
Total	**19,896**	**4.72**	**3,021**	**7,542**	**1.73**	**419**	**13,317**	**1.23**	**525**	**28,393**	**0.68**	**623**
Sabodala	7,102	3.59	820	4,097	1.72	227	8,498	1.21	331	22,959	0.66	490
Massawa	12,794	5.35	2,201	3,445	1.73	192	4,818	1.25	193	5,434	0.76	132
Total	**19,896**	**4.72**	**3,021**	**7,542**	**1.73**	**419**	**13,317**	**1.23**	**525**	**28,393**	**0.68**	**623**

Table 9-27: Sabodala-Massawa Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Sabodala	37,266	2.92	108.6
Golouma	175	3.52	0.6
Masato	131,887	2.80	369.3
Maki Medina	1,303	2.90	3.8
Goumbati West	7,517	2.64	19.9
Niakafiri East	66,581	2.86	190.1
Niakafiri West	8,392	2.48	20.8
Sofia	56,512	2.77	156.8
Massawa NZ	72,794	2.66	193.8
Massawa CZ	43,899	2.87	126.1
Delya	7,755	2.77	21.5
Underground	2,149	72.23	155.3
Total	**436,230**	**3.13**	**1,366.5**
Sabodala	255,270	3.40	868.4
Massawa	180,960	2.75	498.2
Total	**436,230**	**3.13**	**1,366.5**

Figure 9-9: Sabodala-Massawa Gold Mine site layout



9.5 Mineral Processing

The current processing facilities at the Sabodala-Massawa Gold comprises a carbon in leach processing plant which was originally commissioned in 2009 with a rated capacity of 2.4Mtpa. In 2012 the plant was expanded to a fresh ore design capacity of 3.6Mtpa and a mixed/fresh capacity of 4.0Mtpa to 4.2Mtpa reflecting throughput of 500tph. During mid 2015 a mill optimisation project was initiated and commissioned in Q3 2016 and incorporated additional leach tanks, which were added to improve metallurgical recovery. As a result, annual throughput rates for the plant increased to 4.2Mtpa to 4.4Mtpa.

In addition, there are the foundations of an abandoned processing facility which operated in 1998 near the current Sabodala open pit. The predecessor operator at Sabodala reported that the historical tailings were moved to the current TSF.

The current LoMp assumes implementation of the SMEP over the next three years which incorporates a two phased modification of the processing facilities to facilitate processing of the

Massawa oxide (Phase 1) and refractory ores (Phase 2). For processing of the refractory ores, the Phase 2 expansion incorporates the BIOX® technology which whilst limited in application compared with other traditional gold processing technology with only 10 active operations globally, has been successfully implemented since 1986 with operations on the African continent represented by Pan African Resources Fairview mining operation and AngloGold-Ashanti Obuasi mining operation.

The processing of ores from the Massawa deposits requires a detailed understanding of the metallurgical responses for a range of potential processing routes. The numerous deposits, varying mineralisation styles, degrees of weathering and presence of refractory ores require the development of a detailed geo-metallurgical model to accurately predict metallurgical efficiencies and inform the allocation of ore sources to the various processing circuits. This in combination with the implementation of BIOX® technology indicate the criticality of continued testwork, monitoring and reconciliation studies to inform and manage the inherent risks associated with a more complex process route. Numerous technical studies have been completed to date including bench scale and pilot testwork which have resulted in various assumptions, which for the refractory ore treatment plant are considered to be optimistic. This aside, the Group in its post-acquisition LoMp has incorporated various flowsheet adjustments which when implemented is assumed to address any risks associated with these assumptions.

9.5.1 Process Plant Feed

The process plant feed for the SM CIL Plant comprises both oxide and fresh material representing 24% and 76% respectively of the total plant feed with any transitional ores processed also reported as fresh material for the purpose of metallurgical assumptions. The current LoMp assumes similar process throughput assumptions for the Sabodala and Massawa deposits with throughput rates ranging from 4.0Mtpa through to 4.4Mtpa depending on the contribution of oxide, transitional and fresh ore feed.

The throughput of the existing process plant is volumetrically limited on Sabodala Oxide ores and comminution power “limited” on Sabodala fresh ores. Comparing the ore competency data for the deposits on the Massawa geological trend, those being Central and Northern Zones and Delya deposits, it is evident that the Massawa oxide ores have similar competency to the Sabodala oxide ores however the fresh ores are more competent than the corresponding Sabodala fresh ores. This would suggest that the SM CIL Plant will achieve a similar throughput on Massawa oxide ores, but the throughput will likely be marginally lower when treating the non-refractory Massawa fresh ores. It should be noted that the Sofia Main and Sofia North deposits lie on the Sabodala geological trend and exhibit similar competency and leach characteristics to the main Sabodala deposits. Over the past three years the SM CIL Plant has treated a blend of oxide and fresh ore from a range of deposits and has achieved production rates between 325ktpm and 360ktpm equivalent to an annualised processing rate of 3.9Mtpa and 4.3Mtpa at a target P80 grind size of 90µm.

Oxide and Fresh CIL Ores

In recent years the Sabodala-Massawa Gold Mine has developed a range of methods to determine process plant recoveries for various deposits comprising: fixed recoveries by ore weathering type with no variation in grade or deposit; varying recovery assuming linear variation with grade for each deposit; and a variation of the subsequent method with allowances for soluble gold losses in the CIL tails to the linear extraction assessment. For the oxide feed the recovery assumptions remain essentially fixed per deposit and for the fresh ore feed the recovery assumptions incorporate the modified linear approach.

Analysis of historical performance since 2013 however indicates that the predictive accuracy of the grade recovery relationships tends to overestimate recovery at lower grades (below 1.4g/tAu) and underestimate recovery at higher grades (above 2.4g/tAu). Furthermore, the recovery algorithms are considered to be conservative and underestimate recovery at head grades between 1.3g/tAu and 3.0g/tAu by as much as 3%. Between 1.4g/tAu and 2.4g/tAu the original fixed recoveries provide a better correlation to the actual recoveries.

Notwithstanding the above, the process recovery assumptions for Sabodala oxide and fresh ores through the SM CIL Plant are generally supported by a combination of testwork as reported in various detailed studies completed to date and historical actual results to support the assumptions as incorporated into the current LoMp and therefore these remain largely unadjusted.

Massawa Oxide Ores

Oxide ores from the Sofia Main and Sofia North deposits, which are on the Sabodala geological trend, have been processed in the same manner as the '*free milling'* Sabodala deposits with all ore types (Oxide, Transitional and Fresh) scheduled through the SM CIL Plant. Based on historical experience the current LoMp has increased the recoveries used in the SMEP 2020 PFS for the oxide ores and decreased the recoveries for the transitional and fresh ores at the Sofia deposits. The oxide ores from the Massawa CZ and Massawa NZ and Delya are also considered '*free milling*' and the assumed recoveries are less than that originally considered in an earlier Feasibility Study, specifically for the Massawa NZ which have been reduced by 5% from that originally assumed.

Massawa Fresh CIL and Refractory Ores

The SMEP 2020 PFS was largely focused on the development of an integrated plan for the treatment of the Sabodala and Massawa ores with primary focus on the treatment of the Massawa refractory ores (predominantly Central and Northern Zones and Delya Transitional and Fresh ores). The BIOX® refractory treatment process adopted in the SMEP 2020 PFS for the SM ROT Plant is the same as that originally proposed by Randgold and used by Barrick in an earlier feasibility study.

Bacteria bio-oxidation is an oxidation process caused by microbes where the valuable metal remains (but becomes enriched) in the solid phase and the liquid can be discarded. Bacterial oxidation is a bio-hydrometallurgical process developed for pre-cyanidation treatment of refractory gold ores or concentrates. The bacterial culture is a mixed culture of Acidithiobacillus ferrooxidans, Acidithiobacillus thiooxidans and Leptospirillum ferrooxidans. The bacterial oxidation process comprises contacting refractory sulphide RoM ore or concentrate with a strain of the bacterial culture for a suitable treatment period under an optimum operating environment. The bacteria oxidise the sulphide minerals, thus liberating the occluded gold for subsequent recovery via cyanidation. The BIOX® process is a proprietary technology owned by Biomin South Africa and used under licence by a number of operating mines. The BIOX® process involves bacterial oxidation in agitated tanks for pre-treatment of refractory ores and concentrates ahead of conventional cyanide leach for gold recovery.

Under controlled continuous plant conditions, the number of bacterial cells and their activity is optimised to attain the highest rate of sulphide oxidation. The bacteria require a very acidic environment (pH 1.0 to 4.0), a temperature of between 30°C and 45°C, and a steady supply of oxygen and carbon dioxide for optimum growth and activity. Over the last 20 years a total of 11 BIOX® plants and one demonstration plant has been commissioned and of these 10 remain in operation as of the date of publication of this CPR and three of these are situated on the

African continent. The processing capacity of those in operation range from 0.45Mtpa to 2.1Mtpa with the current SMEP assuming a process capacity of 1.2Mtpa.

A factor assumed in the SM 2019 FS and continued in the subsequent SMEP 2020 PFS is the assumption of selective mining of high-grade sections of the Massawa CZ transitional and fresh ores and to process a portion of these ores through the SM CIL Plant prior to the construction of the SM ROT Plant. This strategy is however considered to carry a relatively high degree of mining and processing risk which may result in a reduced recovery from that originally assumed in the SMEP 2020 PFS. In order to mitigate against this risk, the alternative options are to consider stockpiling of this material for future processing through the BIOX® circuit to minimise the potential negative impact on currently assumed recoveries or to adopt lower recoveries than that currently assumed. Adopting the former would require a detailed re-scheduling of the LoMp which has not yet been completed and as such the current metallurgical assumptions assumes a reduced recovery of 76.8% for processing this material through the SM CIL Plant.

From 2006 through 2018, extensive testwork was completed on the Massawa CZ and NZ deposits focused on maximising the throughput through the SM CIL Plant and processing only the most refractory ores through the SM ROT Plant. The testwork completed enabled determination of both fixed recovery and variable recovery assumptions based on the results of both Leachwell and BIOX® results. The fresh ores from the Massawa CZ, NZ and Delya are considered highly refractory and, in the SMEP 2020 PFS, these ores are scheduled through the SM ROT Plant circuit for which a single fixed single fixed BIOX® recovery of 88.3% is assumed for both transitional and fresh ore types from these pits. This overall BIOX® recovery is the amalgamation of the gold recovery to the flotation concentrate (92%) and the gold recovery in the BIOX® residue CIL circuit (96%).

Randgold conducted extensive BIOX® piloting on samples of fresh ores from Massawa CZ and Massawa NZ and, to a lesser extent, Delya, and on composites of the three deposits. On the fresh ore samples, the flotation testwork achieved very good sulphide sulphur recoveries and consistent gold recoveries to concentrate in the range of 90% to 94%. The BIOX® piloting tests were able to demonstrate very good sulphide sulphur oxidation and consistent high gold recoveries of 95% to 97% by cyanidation from the BIOX® residue.

A benchmarking exercise indicated however that these separate assumptions for flotation and the CIL residue recoveries are optimistic and that typical assumptions for a well operated BIOX® plant indicated floatation recovery ranges of 90% to 92% and a CIL residue recovery of 94% to 95%. Accordingly, assuming a more typical recovery of 91% (flotation) and 95% (CIL residue) would result in a revised overall ROT recovery of 86.5%, however given the proposed adjustments incorporated into the current post acquisition LoMp, the original recovery of 88.3% has been adopted.

Testwork for transitional ore samples are limited, however the flotation testwork achieved good sulphide sulphur recovery but poor gold recovery of 59% to concentrate. The reason for the poor flotation gold recovery is that a significant proportion of the gold was associated with oxidised minerals which were not recovered to the flotation concentrate. The BIOX® piloting test was able to demonstrate very good sulphide sulphur oxidation and a high gold recovery of 97% by cyanidation from the BIOX® residue. The predicted overall BIOX® recovery in the SM 2019 FS for the partially oxidised reductive transitional ore was only 57%.

With respect to transitional ores the current LoMp assumes similar metallurgical response to that considered for fresh ore (88.3%). This is normally considered a conservative approach, however processing the reductive transitional ores through the SM ROT Plant would most likely result in poor recovery response as a result of poor gold recovery to flotation concentrate due

to the partially oxidised nature of the sulphide materials (pyrite and arsenopyrite). This risk is effectively eliminated through incorporation of the proposed modifications including the processing of flotation tails to the existing CIL train which is included in the current LoMp assumption thereby ensuring recovery of a significant portion of the remaining gold reporting to the flotation tails and potentially increasing the overall recovery to +90%, although further testwork is required to confirm this.

Gravity Concentration Opportunity

The Transitional and Fresh ores from the Massawa CZ are considered semi-refractory due to the moderate cyanidation recoveries achieved in Leachwell tests. However, the gold deportment in the Massawa CZ is a function of two mineralisation events; the first event being an inflow of sulphide rich fluids resulting in a base level of pyrite and arsenopyrite locked refractory gold, followed by a later over-printing of quartz with extensive '*free*' gold. The higher-grade veins within the Central Zone are dominated by the quartz overprinting and '*free*' gold therefore achieving a higher CIL recovery. However, the original mineralisation consisting of the pyrite and arsenopyrite locked refractory gold will not be recovered and will report to the CIL tails.

Furthermore, it is considered unlikely that selective mining and processing of the high-grade veins within the Massawa CZ is practical without significant ore loss, dilution from the surrounding refractory material and risk to the assumed overall recovery (76.8%). The risk is directly related to diluting fresh material with transitional and fresh refractory ores which results in lower recoveries than currently assumed which would impair gold production in 2023 through 2025 by potentially 5%. To mitigate against these risks, it is recommended that the Massawa CZ Transitional and Fresh ores are mined with the Massawa NZ and Delya Transitional and Fresh ores and processed through the SM ROT Plant with the recommended flowsheet modifications including directing this ore back to the existing SM CIL Plant to process the flotation tails. In this instance it should also be recognised processing through the SM ROT Plant would generally increase recovery to a minimum of the assumed average SM ROT Plant recovery and despite the higher processing costs would improve both production and unit cash cost of production for this component.

Geo-metallurgical Modelling

Gold recovery in a BIOX® process plant is fundamentally related to both the recovery of sulphide minerals in the flotation circuit and the extent of sulphur oxidation in the BIOX® process. While fine '*free*' gold does float to some degree, a high recovery of sulphide sulphur or sulphide mineral recovery in the flotation circuit does not necessarily result in a correspondingly high gold recovery to concentrate, particularly if gold is present as coarse '*free*' gold or locked in gangue minerals. The extent of sulphur oxidation in the BIOX® process (and therefore gold recovery in the BIOX® residue CIL circuit) is dictated by the tonnes of sulphur per day in the BIOX® feed concentrate and has no relationship to the gold grade of the concentrate. Consequently, gold recovery in the BIOX® process is relatively consistent at 94% to 96% while gold recovery in the flotation process varies and is related to sulphur head grade and gold deportment (i.e. gold to sulphur [Au:S] ratio) and not gold head grade.

Critical to building reliable grade – recovery and GeoMet models in the transitional and fresh ore zones is to develop geological models and mine schedules based on sulphide sulphur (S2-) arsenic (As), iron (Fe) and gold (Au) grades and gold to sulphur (Au:S) ratio as sulphur drives the costs and gold drives the revenue.

As part of advancing the SMEP 2020 PFS to feasibility study level, the group has recently

completed additional lithological, mineralogical analysis to refine the determination of sulphide mineralisation which indicates a lower than originally estimated sulphur content. This combined with the ongoing process testwork further indicates the requirement for flowsheet modification to facilitate production of a cleaner concentrate and potentially increase the residence time and process the cleaner tails in the existing SM CIL Plant leach tanks to ensure that the planned recovery assumptions are achieved for the SM ROT Plant feed sources.

9.5.2 Flowsheet

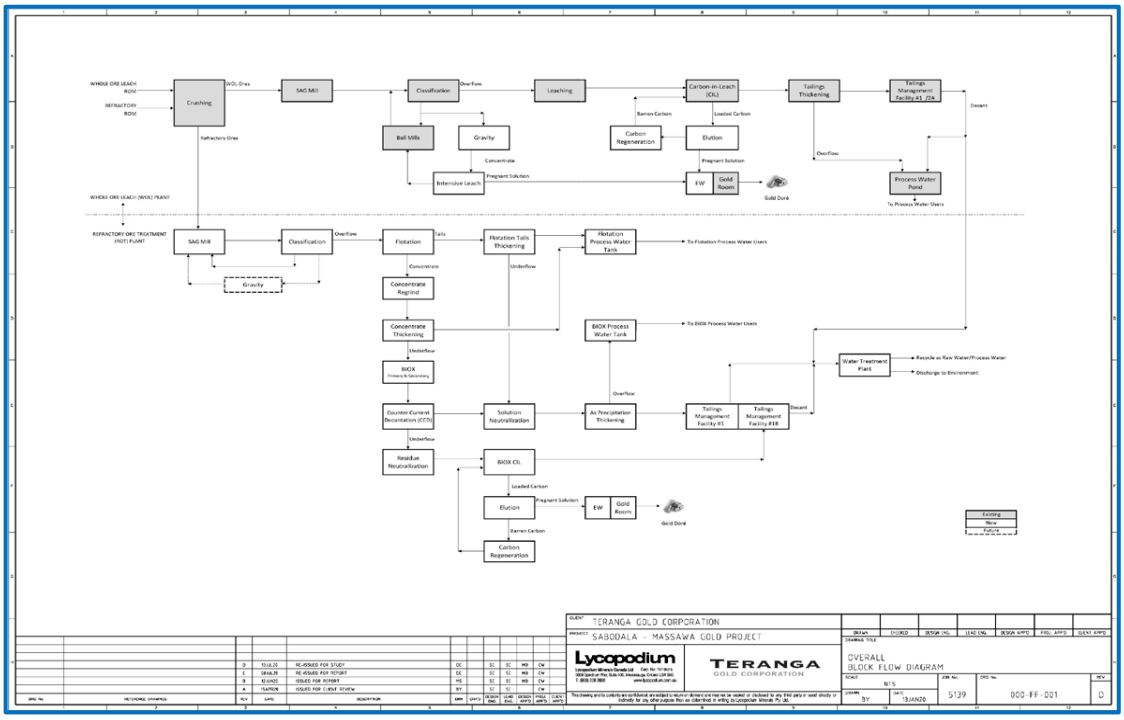
The current plant comprises facilities for crushing, grinding, CIL cyanidation, and tailings disposal. Gold recovery facilities include acid washing, carbon stripping and electro winning, followed by bullion smelting and carbon regeneration.

The SMEP comprises two phases of process plant modifications (Figure 9-10) to facilitate processing of the higher-grade ore and refractory ore from the Massawa Licence deposits and is detailed in the SMEP PFS completed in 2020. Phase 1 (Figure 9-11) planning commenced in 2020 with the associated upgrades commencing in H1 2021 which include: installation of a gravity circuit; addition of one leach tanks; conversion of one existing leach tank to a CIL tank; installation of an 8t (carbon) acid wash and elution circuit; installation of a larger carbon regeneration kiln to match the increased elution capacity; addition of additional electrowinning capacity in the existing goldroom.

Phase 2 (Figure 9-12) assumes the construction of the SM ROT Plant to process the Massawa refractory ores. The treatment of refractory ores is expected to commence in Q4 2023 and will continue through to 2032. The components of the SM ROT Plant comprise: a SAG and Ball Mill grinding circuit with recycle pebble crusher; a rougher/scavenger flotation circuit with fine grinding of the concentrate prior to BIOX® reactor treatment; a BIOX® circuit for oxidation of the sulphide concentrate; a Counter Current and Decantation ("**CCD**") and neutralization circuit to recover and wash the oxidized product and neutralize and stabilize the acidic BIOX® liquors; a CIL circuit to leach the oxidized product of the BIOX® circuit; a 5t (carbon) acid wash and elution circuit; a carbon regeneration circuit; and a goldroom.

Following the Teranga Acquisition, the Group is considering various adjustments to the currently proposed flowsheet to include: gravity concentration on the hydrocyclone underflow stream for the SM ROT Plant; upgrading the flotation circuit by adding a cleaner circuit configuration to produce a cleaner concentrate; amending the leach tank capacity in the SM CIL Plant to process the cleaner tails. These adjustments to ensure attainment of the project recoveries as currently assumed in the LoMp.

Figure 9-10: Sabodala-Massawa Process Plant: simplified flowsheet



The metallurgical accounting system employed on the process plant uses the Centrix database to capture all data electronically from the process plant Wonderware historian, the electronic operational log sheets and the Assay Laboratory LIMS (Laboratory Information Management System). This minimises the duplication of effort and the potential for manual manipulation of inputs to the metallurgical accounting system and streamlines the daily and monthly reporting process.

Figure 9-11: Sabodala-Massawa Process Plant: Phase 1 facilities

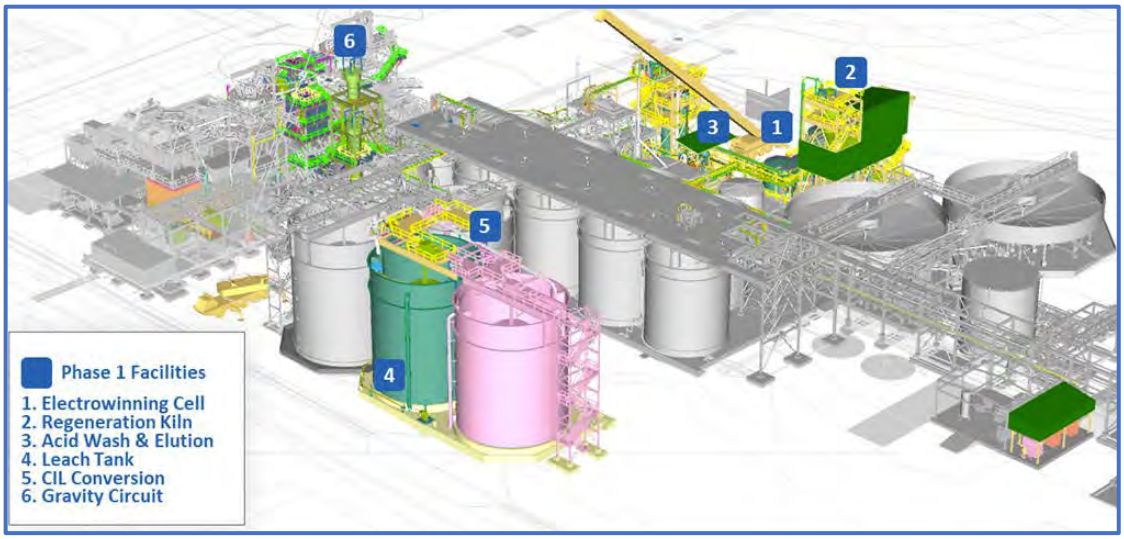
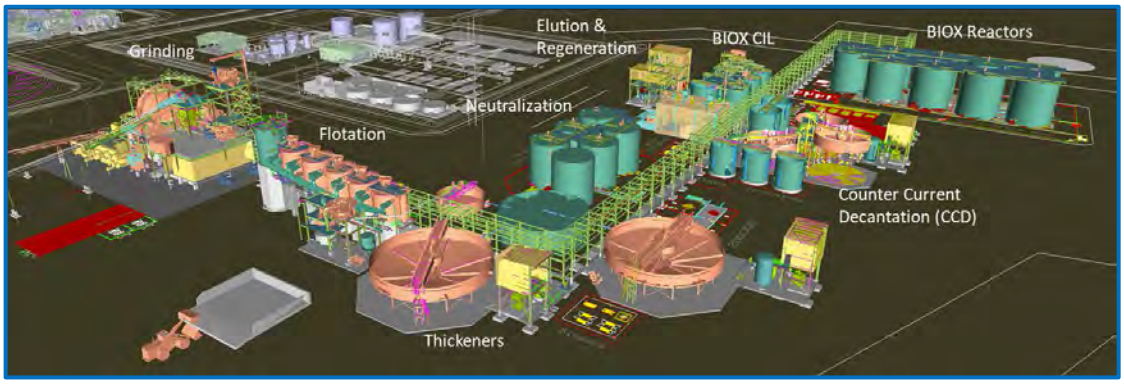


Figure 9-12: Sabodala-Massawa Process Plant: Phase 2 facilities



9.5.3 Historical Performance

Historical performance at the SM CIL Plant reflects continued operations since 2009 whereby a total of 39.8Mt of material grading 2.08g/tAu has been processed to produce a total of 2.4Moz of gold with an effective recovery of 90.9%. Since 2015, analysis of processing statistics (Table 9-28) indicates that throughput has generally increased but has remained range bound between 4.1Mtpa and 4.2Mtpa with monthly variations largely reflecting the proportions of oxide, transitional and fresh ores treated. Ore feed grades have ranged from 1.80g/tAu to 2.00g/tAu with accompanying recoveries generally ranging between 91% and 93% and for 2020 reporting 89.1%. Availability and utilisation reported for 2019 and 2020 are relatively high indicating that the SM CIL Plant is well operated and maintained.

Unit operating expenditures have generally reduced over the historical period analysed and for 2020 report a unit cost of US$10.41/$t_{milled}$.

Table 9-28: Sabodala-Massawa Process Plant: historical operating statistics

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Ore	(kt)	24,019	3,421	4,025	4,221	4,069	4,161	4,122
	(g/tAu)	1.91	1.79	1.81	1.87	2.03	1.98	1.94
	(kozAu)	1,472	197	234	254	266	265	257
Recovery	(%)	91.5	92.6	92.5	91.9	92.3	91.1	89.1
Recovered	(kozAu)	1,348	182	217	233	245	241	229
Produced	(kozAu)	1,348	182	217	233	245	241	229
Sold	(kozAu)	1,348	193	218	231	246	234	226
Gold in Circuit	(kozAu)	13	-	-	-	-	5	7
Finished Goods	(kozAu)	22	-	-	-	-	11	11
Efficiency								
Availability	(%)	-	-	-	-	-	97.0	98.7
Utilisation	(%)	-	-	-	-	-	99.0	99.4
Throughput	(%)	-	-	-	-	-	485	524
Opex								
Processing	(US$m)	281.1	47.9	43.1	47.9	52.7	46.6	42.9
	(US$/t)	11.70	14.02	10.70	11.34	12.95	11.19	10.41

9.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput ranging from 4.3Mtpa to 4.4Mtpa for the SM CIL Plant through to depletion of oxide and fresh CIL feed in 2037. For the ROT Plant, processing is assumed to commence in Q4 2023 and achieve rated capacity of 1.2Mtpa in 2024 which is maintained through to planned cessation of fresh refractory ore processing in Q3 2029.

Total ore processed (Table 9-29; Table 9-30) is reported at 77.4Mt grading 1.93g/tAu with weathering type (Table 9-31) ores contribution by tonnage reported at 22.0%, 69.0% and 9.0% for oxide, CIL fresh and ROT fresh ores. The weighted average metallurgical recovery projected over the LoMp is estimated at 88.3% (Table 9-32) with recoveries for oxide, CIL fresh and ROT ores reporting 91.0%, 87.3% and 88.3% respectively. With introduction of oxide and fresh ores mined from the Massawa deposits, processed grades are planned to significantly increase to more than 2.5g/tAu in 2021 through 2023, thereafter declining with the higher-grade

material mined then processed through the ROT Plant. After this period the LoMp grades reduce significantly and range from 1.0g/tAu to 1.50g/tAu.

For the SM CIL Plant the contribution of fresh ores represents approximately 75% with the balance being classified as oxide, however from 2021 through 2029 the proportion of fresh feed ranges from 60% to 70%. From 2032 onwards this increases to 80% and is assumed at 100% of total feed from 2034 through 2037. During 2034 and 2035 the assumed throughput at 4.2Mtpa is higher than the assumed design assumption of 4.0Mtpa for treatment of fresh only ores and as such represents a degree of risk. This risk can however be mitigated through reducing throughput to the planned capacity and processing for a further full year in 2037 as the total tonnes treated in this period is currently only 2.9Mt.

Operating expenditure assumptions for the SM CIL Plant are broadly aligned with historical performance and for the Massawa ores reflect the experience of processing Sabodala ores to date with modifications for deposit specific considerations.

For the SM ROT Plant, the LoMp assumes a constant unit rate of US$36.09/$t_{milled}$ and this is largely based on the SMEP 2020 PFS. When benchmarked against other BIOX® operations and correcting for the throughput of 1.2Mtpa, the assumed costs are within 10% of the benchmark costs. The current LoMp assumes that the refractory ore from the three source deposits (Massawa CZ, Massawa NZ and Delya) can be blended such that the acid consuming characteristics of the Massawa CZ and Delya flotation concentrates can be cancelled by the acid producing characteristics of the Massawa NZ flotation concentrate. Consequently, the SMEP 2020 PFS operating costs assume zero acid addition to the BIOX® circuit which is only considered to be practical on the assumption that the planned amendments to the flowsheet and operating parameters as developed by the Group are adopted. Furthermore, in order to attain the processing costs assumed in the LoM Plan requires careful blending of the Massawa NZ, Massawa CZ and Delya transitional and fresh ores to minimise acid or limestone addition to the BIOX® circuit for pH control.

Key to understanding the BIOX® processing cost is that the BIOX® process is a sulphur “burning” process and operating costs are fundamentally a function of the tonnes of sulphur oxidised in a day which is a function of sulphur grade in the ore. The gold grade or the tonnes of ore to concentrate have little impact on the BIOX® processing cost. This is important to understand when treating the transitional ores as the sulphide sulphur grades are lower (due to partial oxidation of sulphide minerals) and result in a lower concentrate production (mass pull). Consequently, the lower sulphur throughput through the BIOX® process results in lower operating costs per tonne of Transitional ore feed. Accordingly, when combined with the potential to leach the flotation tails, this represents an upside to processing the Massawa NZ, Massawa CZ and Delya transitional material.

Operating expenditures are derived based on deposit specific assumptions and in certain instances by weathering type as reported in Table 9-33. The weighted average LoMp processing costs is forecasted at US$12.38/$t_{milled}$ and generally increases to a weighted average between US$15.00/$t_{milled}$ and US$16.00/$t_{milled}$ when processing fresh ore through the ROT Plant and thereafter reducing to approximately US$10.00/$t_{milled}$ as operations revert to SM CIL Plant only.

Table 9-29: Sabodala-Massawa Process Plant: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Sabodala	4,667	1.46	218	4,008	0.75	97	8,675	1.13	315
Golouma	74	2.16	5	486	0.89	14	559	1.06	19
Masato	18,436	1.10	653	2,354	0.69	52	20,790	1.06	706
Maki Medina	270	1.40	12	125	0.69	3	395	1.17	15
Goumbati West	883	1.37	39	-	-	-	883	1.37	39

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Niakafiri East	14,927	1.15	552	-	-	-	14,927	1.15	552
Niakafiri West	1,249	1.03	42	-	-	-	1,249	1.03	42
Sofia	9,016	2.39	693	1,245	1.10	44	10,261	2.23	736
Massawa NZ	5,920	4.06	773	-	-	-	5,920	4.06	773
Massawa CZ	10,629	3.37	1,151	-	-	-	10,629	3.37	1,151
Delya	926	3.43	102	-	-	-	926	3.43	102
Underground	2,149	5.01	346	-	-	-	2,149	5.01	346
Total	**69,148**	**2.06**	**4,587**	**8,218**	**0.79**	**210**	**77,365**	**1.93**	**4,796**
Sabodala	42,656	1.36	1,868	6,973	0.74	166	49,628	1.27	2,034
Massawa	26,492	3.19	2,719	1,245	1.10	44	27,737	3.10	2,763
Total	**69,148**	**2.06**	**4,587**	**8,218**	**0.79**	**210**	**77,365**	**1.93**	**4,796**

Table 9-30: Sabodala-Massawa Process Plant: process inventory by material weathering classification

Processed	Ore			Oxide			Fresh (CIL)			Fresh (BIOX)		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Sabodala	8,675	1.13	315	25	0.94	1	8,649	1.13	314	-	-	-
Golouma	559	1.06	19	-	-	-	559	1.06	19	-	-	-
Masato	20,790	1.06	706	3,158	0.73	74	17,632	1.12	632	-	-	-
Maki Medina	395	1.17	15	77	0.73	2	318	1.28	13	-	-	-
Goumbati West	883	1.37	39	832	1.35	36	52	1.66	3	-	-	-
Niakafiri East	14,927	1.15	552	2,896	1.03	96	12,031	1.18	456	-	-	-
Niakafiri West	1,249	1.03	42	429	1.05	14	820	1.03	27	-	-	-
Sofia	10,261	2.23	736	2,828	1.61	146	7,433	2.47	590	-	-	-
Massawa NZ	5,920	4.06	773	1,906	2.90	178	-	-	-	4,014	4.61	596
Massawa CZ	10,629	3.37	1,151	4,393	2.28	322	3,745	2.00	241	2,491	7.34	588
Delya	926	3.43	102	500	3.24	52	-	-	-	427	3.65	50
Underground	2,149	5.01	346	-	-	-	2,149	5.01	346	-	-	-
Total	**77,365**	**1.93**	**4,796**	**17,044**	**1.68**	**921**	**53,389**	**1.54**	**2,641**	**6,932**	**5.54**	**1,234**
Sabodala	49,628	1.27	2,034	7,417	0.94	223	42,211	1.33	1,811	-	-	-
Massawa	27,737	3.10	2,763	9,627	2.26	698	11,178	2.31	831	6,932	5.54	1,234
Total	**77,365**	**1.93**	**4,796**	**17,044**	**1.68**	**921**	**53,389**	**1.54**	**2,641**	**6,932**	**5.54**	**1,234**

Table 9-31: Sabodala-Massawa Process Plant: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	CIL (kt)	Fresh (kt)	Total (kt)	Oxide (%)	CIL (%)	Fresh (%)
Sabodala	25	8,649	-	8,675	0.3	99.7	-
Golouma	-	559	-	559	-	100.0	-
Masato	3,158	17,632	-	20,790	15.2	84.8	-
Maki Medina	77	318	-	395	19.6	80.4	-
Goumbati West	832	52	-	883	94.1	5.9	-
Niakafiri East	2,896	12,031	-	14,927	19.4	80.6	-
Niakafiri West	429	820	-	1,249	34.3	65.7	-
Sofia	2,828	7,433	-	10,261	27.6	72.4	-
Massawa NZ	1,906	-	4,014	5,920	32.2	-	67.8
Massawa CZ	4,393	3,745	2,491	10,629	41.3	35.2	23.4
Delya	500	-	427	926	54.0	-	46.0
Underground	-	2,149	-	2,149	-	100.0	-
Total	**17,044**	**53,389**	**6,932**	**77,365**	**22.0**	**69.0**	**9.0**
Sabodala	7,417	42,211	-	49,628	14.9	85.1	-
Massawa	9,627	11,178	6,932	27,737	34.7	40.3	25.0
Total	**17,044**	**53,389**	**6,932**	**77,365**	**22.0**	**69.0**	**9.0**

Table 9-32: Sabodala-Massawa Process Plant: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Fresh (CIL) (kozAu)	Fresh (BIOX) (kozAu)	Total (kozAu)	Oxide (%)	Fresh (CIL) (%)	Fresh (BIOX) (%)	Total (kt)
Sabodala	1	282	-	283	88.9	89.8	-	89.8
Golouma	-	17	-	17	-	87.5	-	87.5
Masato	67	559	-	626	91.0	88.5	-	88.8
Maki Medina	2	12	-	14	85.3	92.9	-	91.9
Goumbati West	33	2	-	35	91.6	85.5	-	91.1
Niakafiri East	89	406	-	494	92.0	88.9	-	89.5
Niakafiri West	13	24	-	37	92.0	88.9	-	89.9
Sofia	134	508	-	642	91.7	86.0	-	87.1
Massawa NZ	151	-	526	677	85.0	-	88.3	87.6
Massawa CZ	300	185	519	1,004	93.1	76.9	88.3	87.3
Delya	48	-	44	93	93.2	-	88.7	91.0
Underground	-	312	-	312	-	90.1	-	90.1
Total	**838**	**2,307**	**1,090**	**4,235**	**91.0**	**87.3**	**88.3**	**88.3**
Sabodala	204	1,614	-	1,819	91.6	89.2	-	89.4
Massawa	634	692	1,090	2,416	90.8	83.4	88.3	87.5
Total	**838**	**2,307**	**1,090**	**4,235**	**91.0**	**87.3**	**88.3**	**88.3**

Table 9-33: Sabodala-Massawa Process Plant: operating expenditures

Deposit	Total (kt)	Total Opex (US$/t)	(US$m)	CIL (kt)	CIL Opex (US$/t)	(US$m)	BIOX (kt)	BIOX Opex (US$/t)	(US$m)
Sabodala	8,675	10.10	87.6	8,675	10.10	87.6	-	-	-
Golouma	559	10.57	5.9	559	10.57	5.9	-	-	-
Masato	20,790	10.01	208.1	20,790	10.01	208.1	-	-	-
Maki Medina	395	10.65	4.2	395	10.65	4.2	-	-	-
Goumbati West	883	10.23	9.0	883	10.23	9.0	-	-	-
Niakafiri East	14,927	9.90	147.8	14,927	9.90	147.8	-	-	-
Niakafiri West	1,249	-	-	1,249	-	-	-	-	-

Deposit	Total	Total Opex		CIL	CIL Opex		BIOX	BIOX Opex	
	(kt)	(US$/t)	(US$m)	(kt)	(US$/t)	(US$m)	(kt)	(US$/t)	(US$m)
Sofia	10,261	10.82	111.1	10,261	10.82	111.1	-	-	-
Massawa NZ	5,920	27.43	162.4	1,906	9.18	17.5	4,014	36.09	144.9
Massawa CZ	10,629	16.93	180.0	8,138	11.07	90.1	2,491	36.09	89.9
Delya	926	21.36	19.8	500	8.78	4.4	427	36.09	15.4
Underground	2,149	9.98	21.5	2,149	9.98	21.5	-	-	-
Total	**77,365**	**12.38**	**957.4**	**70,434**	**10.04**	**707.2**	**6,932**	**36.09**	**250.2**
Sabodala	49,628	9.76	484.2	49,628	9.76	484.2	-	-	-
Massawa	27,737	17.06	473.2	20,805	10.72	223.0	6,932	36.09	250.2
Total	**77,365**	**12.38**	**957.4**	**70,434**	**10.04**	**707.2**	**6,932**	**36.09**	**250.2**

9.6 Waste Management

Waste management at the Sabodala-Massawa Gold Mine is primarily focused on the TSF and the various existing and planned WRDs which service the process plant, open-pits and planned underground operations respectively. The current operations are serviced by a single existing TSF that was commissioned in March 2009. The current LoMp requires development of two new TSFs for continued deposition of both CIL tailings arisings and planned tailings arisings associated with the development of the BIOX circuit of the Sabodala-Massawa Process plant.

9.6.1 Tailings Storage Facility

TSF1 comprises a single cell, unlined facility, bounded by western, southwestern, eastern and southern embankments and the surrounding topography of gently undulating low laterite capped hills and incised valleys. The facility is currently operated in accordance with ANCOLD (2019) standards and the consequence category for TSF1 was assessed in 2012 as High C by the appointed EOR in accordance with Section 2.3 of the ANCOLD Guidelines on the Consequence Categories for Dams. Advisian Group Pty Ltd ("**Advisian**") EOR and Land & Marine Geological Services (Australia) Pty Ltd ("**Land & Marine**") has been retained for external reviews and review of design works executed by Advisian. Annual geotechnical reviews have been performed since commencement of operations, except for the COVID period in 2020 with Advisian mandated up to 2017, then Land & Marine for 2018 and 2019.

The design and raise of the TSF includes: upstream raise dams; raise berms built with clay material from local borrow areas and mine waste; a spillway on the western embankment to be raised and moved north; a supernatant pond controlled by a decant rock ring; three water dams surrounding the TSF, a small raw water dam ("**SRWD**"), large raw water dam lined with a geotextile ("**LRWD**") and upper raw water dam ("**URWD**"); a diversion drain to harvest water from the catchment area for the SRWD; a spillway and diversion drain connecting the SRWD to the LRWD; a vertical drain and blanket drain in the LRWD embankment which will create flow out of the embankment.

The designed embankment raises were planned in five stages focusing on the critical western embankment, which would be raised in four stages each with approximately 2.5m vertical increase and a 5th stage of 1m vertical increase. The final embankment height would be to RL 160m with perimeter embankment downstream slopes 3H:1V and perimeter embankment upstream slopes 2H:1V.

The initial design capacity was 10Mt at an average in situ dry density of 1.3t/m^3, meaning a storage volume of approximately 7.7Mm^3 and a 5-year mine life with the process plant operating at a throughput of 2.0Mtpa. In 2018 an optimisation report from Advisian suggested the construction of a new embankment and the upstream raising of existing embankments to increase the total storage capacity to 25.4Mm^3 of tailings, equivalent to 39.4Mt at 1.55t/m^3 average dry density (higher density than used in the original design) and an additional storage life of approximately 9.8 years (commencing in February 2020) at a production rate of 4.0 Mtpa.

Advisian used laboratory testing and in situ data to determine liquefaction risk and slope stability. It was concluded from upper raw water dam data analysis that the tailings on the western and southwestern embankments showed drained behaviour for the most part;

therefore, the tailings were not considered susceptible to static and cyclic liquefaction. Slope stability and seepage analysis was completed on the western, southwestern, southern and eastern embankments using the limit equilibrium method, with the phreatic surface determined from on-site data. All embankments and scenarios had an acceptable factor of safety, other than the final stage of 1m rise, although an increase in strength will likely have occurred by the deposition time and this will be revisited at a later stage.

Recent analysis completed by the Group indicated that future upstream raises of the west embankment of TSF1 indicate inadequate factors of safety under certain (dynamic) loading conditions. Accordingly, it is possible that for this embankment a revised lift strategy is required to consider changing to a centreline construction approach which may further increase the assumed capital expenditures provided for in the SMEP 2020 PFS.

The current LoMp assumes tailings arisings which totals some 77.4Mt comprising 70.4Mt of CIL tails, 6.1Mt of flotation circuit tails and 0.8Mt of BIOX® tails. To facilitate storage of the planned tailings arisings the TSF management plan assumes:

- Further lifts for TSF1 (CIL circuit) in 2021 through 2024 to establish additional capacity for 13.9Mt assuming a placed density of 1.52t/m^3 for a total placed capacity since 2009 of 49.6Mt;
- Construction of a new TSF2 to facilitate deposition in 2023 from the CIL circuit with additional capacity of 63.3Mt assuming a placed density of 1.52t/m^3; and
- Construction of a new TSF1B to facilitate deposition of arisings from the BIOX® circuit with total capacity of 0.8Mt assuming a placed density of 1.70t/m^3.

TSF2 is planned to be located to the north of TSF1 and was planned in the SMEP 2020 PFS with no artificial geological barrier HDPE or equivalent, through this will be reviewed by the Group as part of the SMEP 2021 FS considerations. As for TSF1 all design and raise aspects for TSF2 are to be completed using the upstream method. In the event that a fully engineered and lined facility is required then the capital cost for this component will be some 15% higher than currently assumed. TSF1B is to be constructed within the footprint of the existing TSF1 and will have two HDPE liners to store the BIOX tailings arisings. The current capital expenditure estimate for near term lifts and new facilities are estimated at a total of US$51.9m: TSF1 (US$24.6m); TSF2 (US$20.5m); and TSF1B (US$6.8m). Note that the capital expenditure associated with all future lifts are included in the sustaining capital estimates.

Table 9-34: Sabodala-Massawa Process Plant: historical tailings deposition

Statistics	Units	Total	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Arisings	(kt)	35,645	1,806	2,285	2,444	2,439	3,152	3,622	3,421	4,025	4,221	4,069	4,161
	(g/tAu)	0.20	0.25	0.21	0.35	0.25	0.24	0.13	0.16	0.16	0.15	0.18	0.21
	(kozAu)	226	15	15	27	20	25	15	17	21	20	24	28
TSF Cumulative	(kt)	35,645	1,806	4,091	6,535	8,974	12,126	15,748	19,169	23,194	27,415	31,484	35,645
	(g/tAu)	0.20	0.25	0.23	0.27	0.27	0.26	0.23	0.22	0.21	0.20	0.20	0.20
	(kozAu)	226	15	30	57	77	102	116	134	154	175	198	226

Table 9-35: Sabodala-Massawa Process Plant: LoMp deposition

Facility	Placed (Mt)	LoMp-Total (Mt)	CIL (Mt)	FLT (Mt)	BIOX (Mt)	Placed (Mt)	Capacity (Mt)
TSF1A (CIL/FLT)	35.6	13.9	8.5	5.4	-	49.5	49.5
TSF2 (CIL/FLT	-	62.6	62.0	0.7	-	62.6	62.6
TSF1B (BIOX)	-	0.8	-	-	0.8	0.8	0.8
Total	**35.6**	**77.4**	**70.4**	**6.1**	**0.8**	**113.0**	**113.0**

9.6.2 Waste Rock Dumps

The total waste rock to be mined over the LoMp from the open pits is estimated at 366.9Mt comprising 110.4Mt of oxidised material and 256.5Mt of fresh (unweathered material). The mined material is planned to be stored in 19 dedicated waste rock dump facilities with the balanced stored in two in-pit backfilling programmes at the Niakafiri open pits. In situ mined

material are all converted to LCM via an assumed bulking factor of 1.30 for all weathering types. Total waste material mined to date is estimated at 310.3Mt a portion of which was used in initial construction activities for the TSF. No direct estimate has been made of the quantity of waste mined to be utilised in TSF construction activities specifically for TSF-2 and any subsequent lifts for TSF1 and TSF2, accordingly the remaining capacity is likely to be higher than the 87.2Mm^3 as reported in Table 9-36 below.

Table 9-36: Sabodala-Massawa Gold Mine: WRD deposition

Waste Source	Tonnage	WRD (LCM)	WRD	IPBF	Capacity		Placed		Rem Capacity	
					WRD	IPBF	WRD	IPBF	WRD	IPBF
	(Mt)	(Mm^3)	(No)	(No)	(Mm^3)	(Mm^3)	(Mm^3)	(Mm^3)	(Mm^3)	(Mm^3)
Sabodala	32.6	15.0	1	-	15.2	-	15.0	-	0.3	-
Golouma	0.1	0.0	1	-	15.1	-	0.0	-	15.1	-
Masato	113.5	55.5	2	-	69.7	-	55.5	-	14.3	-
Maki Medina	1.0	0.5	1	-	1.0	-	0.5	-	0.6	-
Goumbati West	6.6	4.6	2	-	7.8	-	4.6	-	3.1	-
Niakafiri East	51.7	36.1	1	1	4.6	2.7	4.6	2.7	-	-
Niakafiri West	7.1	24.5	1	1	4.2	1.0	4.2	1.0	-	-
Sofia	47.5	20.0	3	-	30.2	-	24.5	-	5.7	-
Massawa NZ	66.9	37.9	4	-	68.4	-	37.9	-	30.5	-
Massawa CZ	33.3	3.7	1	-	35.6	-	20.0	-	15.6	-
Delya	6.8	-	1	-	5.7	-	3.7	-	2.0	-
Total	**367.1**	**197.7**	**-**	**-**	**257.6**	**3.7**	**170.4**	**3.7**	**87.2**	**-**

9.7 Infrastructure

The Sabodala-Massawa Gold mine has been in production since 2009 and has in place all the infrastructure required to support the open pit mining operation and 4.2Mtpa CIL Plant. This includes, but is not limited to, a secure water harvesting and storage facility, a site HFO power station, accommodation and recreation facilities for staff, an airstrip, an open pit mining fleet and maintenance facilities, the processing facilities, a tailings storage facility and all the necessary offices, warehouses and workshops to sustain the operation.

Existing port facilities in Dakar, and local logistics companies providing transport to and from site, have supported the operation for over twelve years and are adequate to meet the needs of the expansion project. In addition, the Group has a regional corporate office in Dakar with a team managing logistics, government liaison, personnel transport and other management functions, the full cost of which is a charged as a tax-deductible cost to the Sabodala-Massawa Gold Mine and is included in the TEPs as reported herein.

The current LoMp assumes the completion of Phase 1 and Phase 2 of the SMEP which will establish expanded open-pit mining operations at the Massawa Licence deposits, construction and commissioning of the ROT Plant including the BIOX circuit and additional CIL trains, expanded TSF facilities, expansion of the existing power plant and in addition underground mining operations at the Sabodala Licence deposits of Golouma and Kerekounda. The existing SM CIL Plant will continue to process at a throughput of 4.2Mtpa and the SM ROT Plant is assumed to commence production in 2023 and operate at a throughput of 1.2Mtp through to 2029 until depletion of the refractory ore feed. The mainstay of development capital planned to be expended from 2021 through 2023 related to the SMEP is estimated at US$316.1m and is largely supported by the SMEP PFS completed in 2020. The Group is currently upgrading the SMEP PFS to a full feasibility study which is planned for completion during 2021, however the focus of this is largely in respect of Phase 2 and it is assumed that no further detailed technical work will be undertaken in respect of Phase 1 given the anticipated timeline for construction activities planned to date.

As previously noted, the post-acquisition LoMp assumes processing through the SM ROT Plant to commence in Q4 2023 which is later than that originally assumed in the SMEP 2020 PFS. This adjustment is considered prudent given the status of the feasibility study testwork and accompanying engineering work which now allows sufficient time for these results to be incorporated into the engineering designs to enable completion of the SMEP 2021 FS by Q4

2021 and for construction activities to commence in 2022 in readiness for commissioning in Q4 2023.

Underground mining operations are planned to commence in 2028 and are planned to continue through to 2036. The total capital expenditure is estimated at US$102.1m, with US$56.4m allocated for development and the remaining US$45.8m relating to mobile mining equipment.

9.7.1 Access and Transportation

Sabodala Gold Mine is located in southeast Senegal, approximately 650km east-southeast of the capital city of Dakar. Access from Dakar is by sealed road, Highway N1, to the regional centre of Tambacounda and then via a good all-weather sealed road, highway N7, 230km southeast to Kedougou, connecting with 96km of sealed and laterite-surfaced roads. A 1,250m sealed public airstrip, capable of handling light to medium sized aircraft is located at the north end of the property.

9.7.2 Power Supply and Distribution

Current mining and processing operations indicate a total site power requirement of 20MW which is provided via a dedicated HF power station comprising four 7.6MVA generators, two 8.2MVA generators and two 750kW diesel black-start generators. For much of the time three operating generators are sufficient to supply power to the site with a fourth sometimes needed during peak demand to avoid shedding of non-essential loads. Following completion of Phase 2 of the Sabodala-Massawa Expansion Project ("**SMEP**") power consumption will increase to approximately 40MW requiring further 8.2MVA generators. As part of the current SMEP 2021 FS, further detailed analysis is planned to more precisely define future loads on the power station and estimate the future availability of the individual generator units to determine whether two additional units will meet projected requirements and it is estimated that this could deliver a capital saving of approximately US$5m.

9.7.3 Water Supply

Water supply is sourced from two freshwater dams and, in the event of an emergency, via a 42km pipeline from the Falémé River. To date, pumping of water from the Falémé River has not been required. The current operations of the SM CIL Plant are sustained by recycled water from TSF1 (water in plant tailings plus rainfall, less water entrained in settled tailings and lost by evaporation). With the construction of TSF2, direct rainfall catchment will increase significantly. It is expected that SM CIL Plant operations will continue without the requirement for water from the dams.

The SM ROT Plant will require modest volumes of fresh water for use in the BIOX® circuit where recycled process water cannot be used as it is toxic to the BIOX® bacteria. This will be sourced from the water storage dams. At present it is not anticipated that water will be drawn from the Falémé River.

9.7.4 Hydrocarbon Storage

The current power plant has 4Ml of HFO storage capacity and following commissioning of Phase 2 this is considered adequate to ensure up to three weeks supply of HFO under normal operating conditions which could increase if fuel conservation measures are taken and less essential loads are shed. Accordingly, no further allowances have been made for increasing site HFO storage at Sabodala-Massawa Gold Mine. Should additional tankage be deemed prudent it is reasonable to assume that the HFO supplier will install any additional tankage required and potentially hold the contents as consignment stock until transferred to the power station tanks as part of the supply contract.

9.8 Human Resources

Sabodala-Massawa Gold Mine presently reports 2,222 TEC, 1,621 of which are reported as employees, of which 88 are classified as expatriates and the remainder as nationals (Table 9-37). Table 9-38 presents the historical productivity metrics for Sabodala-Massawa Gold Mine reported from 2018 through 2020 inclusive. This indicates that total material processed per TEC per month has reduced to 155t/TEC/m whilst gold production has decraesed to 267g/TEC/m. In addition to the above employees, the total contractor compliment includes individuals who are associated with Orica, surface haulage and construction activities.

Table 9-37: Sabodala-Massawa Gold Mine: historical human resources[(1)]

Statistic	Units	2018	2019	2020
Expatriates	(No)	66	78	88
Nationals	(No)	1,243	1,284	1,533
Subtotal	**(No)**	**1,309**	**1,362**	**1,621**
Contractors	(No)	349	161	358
Daily Workers	(No)	126	202	243
Total	**(No)**	**1,784**	**1,725**	**2,222**

Table 9-38: Sabodala-Massawa Gold Mine: historical productivity metrics

Statistic	Units	2018	2019	2020
Physicals				
Processed	(kt)	4,069	4,161	4,122
Produced	(kozAu)	245	241	229
Productivity				
TEC	(No)	1,784	1,725	2,222
	(t/TEC/m)	190	201	155
	(g/TEC/m)	356	363	267

9.9 Occupational Health and Safety

Occupational health and safety at Sabodala-Massawa Gold Mine is managed in accordance with an in-house management framework. Review of historical statistics from 2017 indicate a single fatality in 2017 and a general reduction in LTIs over the period to a value of 0.24/mmhr in 2020. AIFRs have not been historically reported. In 2020 a total of 426 malaria cases were reported which is higher than that reported for 2019.

Table 9-39: Sabodala-Massawa Gold Mine: historical occupational health and safety statistics

Statistic	Units	2017	2018	2019	2020
Safety					
Fatality	(No)	1	-	-	-
Lost Time Injury	(No)	4	2	2	1
Total Time	(m.hrs)	4.00	4.00	4.00	4.21
LTIFR	(No/mmh)	1.00	0.50	0.50	0.24
AIFR		n/a	n/a	n/a	n/a
Occupational Health					
Malaria Cases	(No)	n/a	n/a	395	426

9.10 Environmental and Social Management

Since 2008, at least eight ESIA processes have been undertaken to provide input to environmental permitting at the Sabodala-Massawa Gold Mine. The processes have been documented in ESIA reports and accompanying ESMMPs. The ESIAs have been conducted by Senegalese consultants, with support from international consultants for the Niakafiri ESIA (ERM) and Massawa ESIA (Digby Wells) in 2019. Resettlement planning has been undertaken concurrently with the ESIA processes and is documented in detailed RAPs.

A new integrated ESIA process is being conducted by a Senegalese consultant to assess the impacts from the combined Sabodala-Massawa Gold Mine. The ESIA report is due to be submitted to authorities in Q3 2021.

Environmental geochemistry studies have been completed for Sabodala-Massawa Gold Mine. For waste rock, geochemical characterisation has been conducted for Sabodala in 2006 and 2011, and subsequent static geochemical testwork has been conducted for Niakafiri (122 samples), Goumbati-Kobokoto (92 samples) and Massawa (89 samples). For tailings, static

and kinetic test work has been conducted for Sabodala deposits and 99 samples for Massawa deposits have been tested. The potential for acid rock drainage is tested regularly at an on-site laboratory to verify that the localized variations in the concentration of sulphides in the rocks extracted from the open pits do not lead to an increase in the risk of acid drainage.

9.10.1 Environmental Authorisations

In accordance with the Senegalese Environmental Code (Law 2001-01), an ESIA was submitted in 2008 to obtain the initial environmental compliance certificate for the Sabodala open pit, processing plant and supporting infrastructure. Since then, a series of subsequent assessments have been undertaken for additional deposits and infrastructure, resulting in the primary approvals shown in Table 9-40. The permissions for Masato, Golouma and Kerekounda deposits, adjacent to Sabodala, were acquired from OJVG in 2014 and Massawa permissions were acquired from Randgold in 2020.

Approvals for the planned changes to the Sabodala processing plant to accommodate ore from Massawa have not yet been obtained. An integrated ESIA process is being conducted to assess the impacts from the combined Sabodala-Massawa Gold Mine with the ESIA report due to be submitted in Q4 2021. Approvals for underground mining will be sought prior to the planned start of operations.

Table 9-40: Sabodala-Massawa Gold Mine: primary environmental approvals

Deposit in LoM	Start of ops	Environmental permit
Sabodala Lot-A Licence		
Sabodala	2009	Order No.264 MPNBRLA/DEEC/ms of 13 February 2008
Masato	2014	OJVG permit No3144 MEDD/DEEC/DEIE/mbf of 28 November 2013
Gora	2015 (now complete)	Certificate No.680 MEDD/DEEC/DEIE/ag/AD of 12 March 2015
Golouma	2015	OJVG permit No3144 MEDD/DEEC/DEIE/mbf of 28 November 2013
Kerekounda	2016	OJVG permit No3144 MEDD/DEEC/DEIE/mbf of 28 November 2013
Maki Medina	2021	Order No.631 of 9 January 2020
Niakafiri	2025	Order No.631 of 9 January 2020
Goumbati Kobokoto	2029	Certificate No.1247 MEDD/DEEC/DEIE.nfn of 13 March 2020
Golouma underground	2029	To be obtained
Kerekounda underground	2029	To be obtained
TSF2	2023	Order No. 28548 of 30 December 2020
Water use from Faleme River (42km pipeline)	Not used	Order No.1004 MPNBRLA/DEEC/rg/ann of 3 May 2010
Massawa Licence		
Sofia complex	2020	Order No 024719 of 11 October 2019
Central zone (CZ)	2021	Order No 024719 of 11 October 2019
North zone (NZ)	2022	Order No 024719 of 11 October 2019
Delya	2025	Order No 024719 of 11 October 2019

Conditions of the environmental approvals require the implementation of the Environmental and Social Management and Monitoring Plans ("**ESMMPs**") contained within the submitted ESIA reports. Failure to implement these measures may lead to withdrawal of the permit. The DEEC audit the implementation of the ESMMP. Audit reports from 2019 included over 90 individual recommendations, although these are not specifically linked to commitments in the ESMMP or legal requirements.

The operation maintains a legal register detailing the applicable requirements of Senegalese law and latest applicable regulatory changes. SRK understands the operation also maintains a compliance register, as part of the health, safety and environmental management system, that records compliance with statutory and permitting requirements. The 2019 annual HSE audit recommended internal or external review of status of legal compliance recorded in this register.

In addition to the approvals above and the financial contributions made through the mining conventions, SGO has an environmental agreement with the Ministry of Environment that requires the annual payment of US$0.45m. This is a financial contribution to reforestation activities, logistical support, environmental preservation, and combating pollution, nuisances, poaching and bush fires.

9.10.2 Environmental and Social Matters

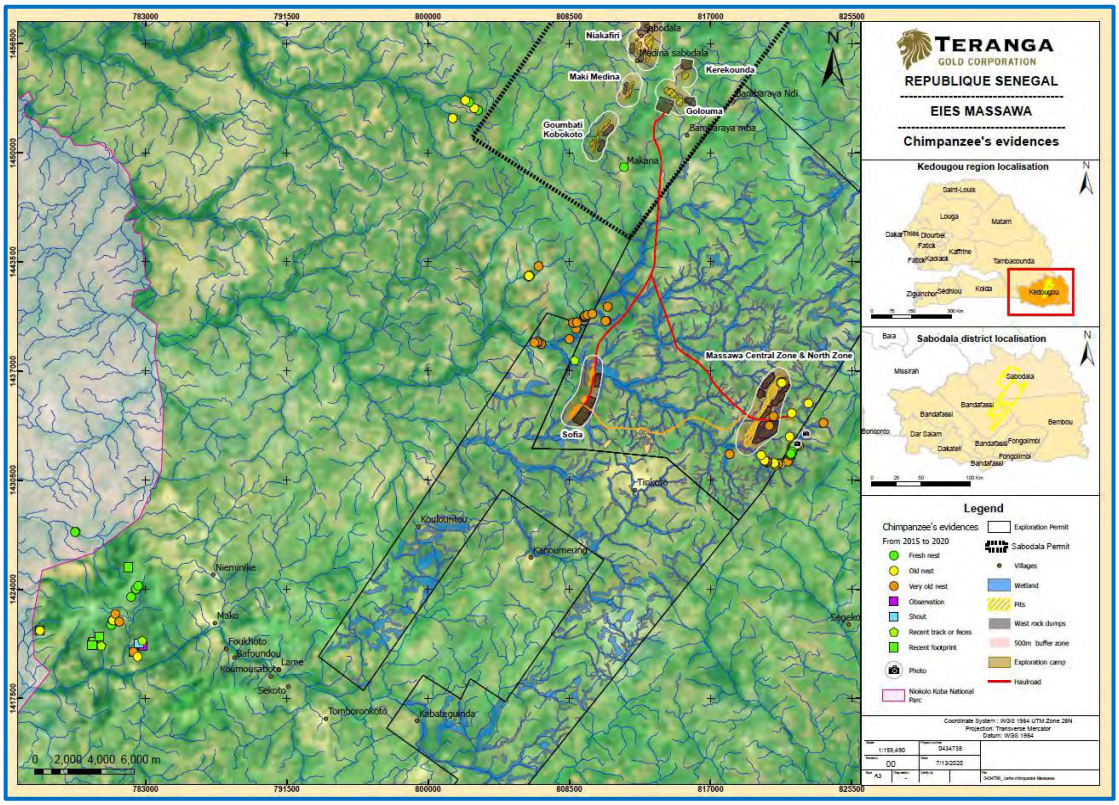
Environmental and Social Setting

The topography of the Sabodala-Massawa Gold Mine deposits are generally undulating with elevations between 100m and 350m and a gentle downward gradient towards the west and north. The licences are located across a regional watershed divide between the Gambia River Basin to the west and the Senegal River Basin to the east and north. As a result of being in the headwaters of these catchments, the surface water courses within the mining licence areas are limited to small streams or gullies.

Most of the Sabodala mining deposits, processing plant and TSF are in the catchment of the Farako River (tributary of the Niokolo-Koba River in the Gambia River basin) flowing westwards. However, the Masato and Kerekounda mining areas are in the Faleme River catchment (Senegal River basin) located to the east of the site, flowing northwards. The Massawa deposits are situated entirely in the catchment of the Niokolo-Koba River, except for the Delya deposit to the north east, and includes wetland areas mainly composed of ephemeral streams fed by surface water runoff. Some of these wetland areas are considered pristine with important functions for watershed performance.

Downstream of both mining leases, the Niokolo-Koba River flows through the Niokolo-Koba National Park ("**PNNK**"), recognised by the UNESCO as a world heritage site. The PNNK is also defined as a biosphere reserve by UNESCO and a key biodiversity area by IUCN. It includes catchments of the Gambia, Sereko, Niokolo and Koulountou Rivers and comprises gallery forests, savannah grass floodplains, ponds, dry forests rocky slopes and hills. The PNNK has high plant diversity and rich fauna characterized by the Derby Eland (the largest of African antelopes), chimpanzees (Figure 9-13), lions, leopards, elephants as well as many species of birds, reptiles and amphibians. The park is approximately 20km west from the boundaries of both Sabodala Lot-A Licence and Massawa License areas, and approximately 40km downstream of the TSF.

Figure 9-13: Sabodala-Massawa Gold Mine: chimpanzee evidences



The Sabodala deposits are located in the Saraya District of the Kédougou Region, which is among the poorest departments in Senegal. There are 11 villages on the Sabodala Lot-A Licence. Sabodala village (approx. population 3,200) is two kilometres south of the Sabodala open pit and is, in part, located above the Niakafiri deposit along with the Medina Sabodala (approx. population 800), located less than 1km further south. Both of these villages will be resettled as part of the programme to mine the Niakafiri open pit. Faloumbo village is to the north-northeast of Sabodala pit. Eight other villages are located on the mining concession but further from the operation, and each village houses between 500 and 2,500 people. Subsistence gardens and a scattering of small fields including sorghum and maize surround the villages. All villages have essential public infrastructure such as elementary schools, health posts or health huts, and a water supply consisting of water wells, or a water tower in the case of Bransan. Based on a review of satellite imagery, there are no apparent communities located downstream of the TSF, prior to the boundary of the Niokolo-Koba National Park.

The Massawa deposits are located close to Tinkoto village (approx. population 7,500) located immediately to the south west of the Massawa Exploitation Licence boundary. Artisanal mining is a key livelihood in this community. Beyond artisanal mining, other common land uses in Massawa's surroundings are subsistence agriculture, animal rearing and vegetable gardening. Although existing anthropogenic land use is present within the Massawa Licence area, the natural habitat is diverse and of high value. Several species of conservation significance were identified within the project area, including the populations of the Western chimpanzee, classified as critically endangered by IUCN. The chimpanzees rely on riparian forest as their primary habitat, which crosses the concession area from east to west.

Approach to Environmental and Social Management

The Sabodala-Massawa Gold Mine has an occupational health and safety, and environmental ("**HSE**") management system in place, which the Group plans to align with ISO 14001:2015 and

ISO 45001:2018 requirements. The ESMMP that forms part of the planning component of the system is regularly updated to incorporate active mining areas, with the next update to include the expanded Massawa scheduled for the start of 2022. Annual reports are submitted to authorities to present key environmental and social activities and environmental monitoring results.

Based on monitoring data from the 2020 annual environmental and social report, the operation appears to comply with relevant environmental standards except for dust deposition (at the plant, along Khossanto public road and adjacent communities during the dry season) and occasional noise exceedances (at the plant and power station and on one occasion at Faloumbo village). While ambient surface water and groundwater quality parameters were within relevant limits, SRK notes only three locations are monitored for ambient surface water quality. Drinking water sources were compliant with applicable quality standards (WHO) except for nitrate in four villages. This is explained in the report by a lack of sanitation in the villages, the treatment of gold by the artisanal miners and agricultural use of fertilisers. No cyanide infiltration was detected in the groundwater monitoring piezometers located downstream of the tailings storage pond.

Internal audits are carried out throughout the year and external independent audits are conducted on the HSE management system annually, with the latest being conducted in November 2019. The audit findings highlighted an effective centralised platform (SharePoint) for organisation of the management system, high quality plans and adequate resources inclusive of capital and operating budgets. The audit also found evidence of continuous improvement in HSE systems, risk reduction and HSE performance. Six-monthly management reviews of the HSE management system continue to be scheduled and completed.

The Group has a team of 8 people involved in stakeholder engagement activities at Sabodala-Massawa Gold Mine. The team implements engagement tools such as stakeholder mapping, engagement planning and recording of meetings, however these are not yet formally documented in a stakeholder engagement plan. The Group intends to formalise a stakeholder engagement plan in 2021.

Engagement activities include monthly meetings with a '*Cadre de Consultation*' involving representatives from the local administration and surrounding villages, weekly meetings with a recruitment committee, regular meetings with strategic stakeholders such as governmental representatives, engagements with local suppliers and small businesses, and smaller informal community meetings on specific issues as required. The frequency of meetings and size of committees was temporarily reduced during 2020 and 2021 due to COVID restrictions.

The site has a grievance mechanism and records grievances to assist with management and monitoring of the type of issues raised. According to the Group, the most commonly raised grievances include dust and recruitment opportunities. Recruitment is a particular concern at Tinkoto (Massawa) following the decision to integrate the project with Sabodala mining and processing instead of establishing it as a stand-alone operation, resulting in fewer job opportunities for local communities.

Resettlement

A series of resettlement programmes have been conducted at the Sabodala-Massawa Gold Mine, including physical resettlement of 61 households in 2010 and economic resettlement of 306ha of cropland to date. A resettlement programme for 645 households (approximately 4,300 people) and further 564ha of cropland affected by development of Niakafiri deposit is currently-on-going and planned to be completed in 2022. All resettlement activities have been guided by resettlement action plans and livelihood restoration plans. Resettlement audits are planned,

although none have been conducted to date.

The Niakafiri open pit development will require the resettlement of two communities, Sabodala and Medina Sabodala. The RAP has been prepared to meet Senegalese legal requirements and international good practice as defined by IFC Performance Standard 5 on Involuntary Resettlement. In addition to a resettlement action plan, a resettlement-specific stakeholder engagement plan has also been developed. The physical resettlement programme involves the construction of new houses, shops and municipal buildings including schools, hospital, mosque gendarmerie and community hall. A cemetery will also be relocated with the communities. The resettlement process is monitored by a team led by the local governor and an independent quality assurance and quality control team. Construction is on-going with new Sabodala and new Medina Sabodala due for completion in early 2022. The cost of the Niakafiri resettlement process has been estimated as US$48.1m the majority of which is planned to be expended in 2021.

Other Issues – Impacts on sensitive biodiversity areas

The Massawa Licence contains areas of high biodiversity value, including pristine wetland ecosystems and terrestrial habitats for protected species including the critically engendered Western chimpanzee. Studies of the chimpanzee populations within the concession area have been on-going since 2015.

Following the decision to integrate the Massawa deposits within the existing operations and resulting removal or change to proposed infrastructure from a stand-alone project, an ESIA process has commenced to assess the impacts from the consolidated operation. The biodiversity baseline conducted for the Massawa ESIA in 2017 has been reviewed and updated with additional data collection for flora, mammals, birds and reptiles. A critical habitat assessment has also been conducted across the area to understand the status of expected impacts. The results from these studies are informing the development of a biodiversity management plan by Sylvatrop Consulting, which will be completed in Q2 2021. Through this work, the Group is also collaborating with national biodiversity experts, including primatologists, and is involved with the National Steering Committee for the Conservation of the Western Chimpanzees. Preliminary findings suggest there will be no direct impact on chimpanzee habitat from mining activities or haul roads. However, SRK notes that impacts from noise, vibration, air emissions and water discharges may indirectly affect surrounding habitats.

An associated biodiversity action plan will define the appropriate strategy for protecting local biodiversity, which may include community awareness programmes and offsets, depending on the biodiversity management plan findings. The Group has budgeted US$80k in 2021 for the immediate implementation of the action plan of the biodiversity management plan.

Mining has already commenced at the Sofia deposit and a haul road has been constructed to link the Sofia deposit with the Sabodala-Massawa Process Plant. The Sofia area was not identified as containing important chimpanzee habitat in previous studies and additional work was conducted along the haul road alignment, prior to construction, to confirm the expected impact from this road. Following this work, the alignment of the road was modified to avoid riparian forest and a suite of management measures implemented to reduce impacts of river crossings.

Given the sensitivity of biodiversity within the Massawa Licence and proximity of the Massawa Licence to the Niokolo-Koba National Park, the Group will need to continue to focus on responsible and collaborative management of biodiversity impacts to control reputational risks from conducting activities in this area. Wherever possible, biodiversity studies and management plans should be conducted in advance of mining and development activities to

avoid unintended and unmanaged biodiversity impacts.

Other Issues – Artisanal Mining

Informal artisanal mining occurs within the Sabodala Lot A Licence and the Massawa Licence areas. The Massawa Licence also includes two officially recognized artisanal mining corridors, one of which (the Makhana corridor) will be relocated outside the mining license perimeter and validated by the authorities as a new official corridor. A comprehensive site-specific artisanal mining action plan is in place at Sabodala-Massawa Gold Mine and progress with the plan is monitored on a quarterly basis. Despite the on-going efforts, environmental, health and safety risks have been identified with respect to contamination from chemical use and injuries to artisanal miners from unsafe working conditions. Security risks from artisanal miners are considered low and all security staff are in the process of being trained on the United Nations Voluntary Principles on Security and Human Rights ("**UNVP**").

Other Issues - Acid Rock Drainage and Metal Leaching and water quality impacts

Geochemical characterisation studies for the Sabodala deposits have shown a low acid generation potential for waste rock and whole ore leach tailings material. This is supported by operational geochemical testing on-site and environmental water quality monitoring results from around the operation showing limited influence from the existing waste facilities, which are all unlined. When constructed, TSF2 is planned per the SMEP 2020 PFS to be unlined and will contain whole ore leach tailings, similar to TSF1, though this is currently under review by the Group as part of the SMEP 2021 FS.

Regarding the anticipated changes to the process plant to treat the integration of refractory sulphide ore from the Massawa deposits, including construction of a BIOX/CIL processing circuit, future tailings material from this circuit is unlikely to generate acid drainage but arsenic and antimony have been identified as parameters of concern for BIOX/CIL tailings leachate. This material will be stored within a double-lined area within the TSF1 footprint (TSF1B).

For Massawa, no acid generation is expected from waste rock, however potential water quality issues are predicted from pit water and waste rock dump seepage and run-off. This includes suspended solids and nitrates at all Massawa deposits and heavy metals, including arsenic and antimony, from NZ, CZ and Delya pits and waste rock dumps. Water treatment currently planned at the Massawa deposits includes a settling facility for pit sump and waste rock dump run-off at all deposits, where monitoring will be conducted prior to any discharge subject to meeting the required quality standards. A water treatment (polishing) plant is also planned between Massawa and Delya deposits to treat elevated arsenic and antimony in pit water and waste rock dump run-off.

Additional static and kinetic test work is planned to increase confidence in the characterisation of Sabodala and Massawa deposit tailings streams, tailings mixing, and waste rock geochemistry. Potential mitigation measures to manage resulting water quality impacts is also required. Until confidence is obtained from the additional geochemistry test work, there is some uncertainty regarding the nature and duration of water treatment required and water quality impacts from the Massawa deposits, and whether additional management or monitoring will be required at the Sabodala-Massawa Process Plant and surrounding infrastructure following the introduction of Massawa deposit processing waste residues to the TSF.

Other Issues – Surface Water Monitoring

Given that the Massawa Licence contains sensitive wetland ecosystems and riparian habitats and is upstream of the Niokolo-Koba National Park, the effective management of surface water impacts is essential to control the environmental and reputational risks relating to the planned

development of the Massawa deposits. The baseline monitoring programme conducted for the Massawa ESIA (until 2019) and the planned ESMMP did not include surface water monitoring downstream of the Sofia pits. Although water sampling re-commenced at Massawa in August 2020, water quality and flow surveys were only carried out at one point downstream of the Sofia infrastructure during the rainy season in 2021. In a future monitoring plan, it is planned to extend the monitoring programme, including two points downstream of Sofia. The lack of a pre-construction surface water baseline downstream of Sofia pits presents a potential reputational risk to the Group.

Energy, Emissions and Water Usage Metrics

Table 9-41 presents a summary of the energy, emissions and water usage metrics at the Sabodala-Massawa Gold Mine for the period 2017 through 2020.

Table 9-41: Sabodala-Massawa Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	4,221	4,069	4,161	4,122
Energy Consumption	(MWh)	671,775	621,183	624,396	637,890
	(kWh/t)	159	153	150	155
Water Consumption	(Ml)	4,673	n/a	5,024	1,294
	(Ml/t)	1,107	-	1,207	314
GHG Emissions	(tCO_2e)	n/a	n/a	165,570	166,517
	($kgCO_2e/t$)	-	-	39.8	40.4

9.10.3 Mine Closure

In accordance with Articles 103 and 104 of the Senegalese Mining Code (Law no 2016-32 of 8 November 2016), and Section 27 of the Sabodala Mining Convention, mining title holders must rehabilitate the sites covered by its mining title and make regular contributions to a trust account to create a fund to cover the cost of implementing the rehabilitation programme. Although rehabilitation provisions are made in company accounts, the operation had not yet established a fund as of March 2021. It is due to deposit US$0.6m pending the execution of a Memorandum of Understanding with Ministry of Mines in the next quarter. The current closure liability, represented by the ARO for end of 2020, is estimated at US$33m.

The latest LoM closure plans were developed for the existing Sabodala operations in 2015 and for the Massawa deposits in 2019. Although these were both accompanied by LoM closure cost estimates, these estimates have since been updated as part of the pre-feasibility study in 2020 for integration of the assets, producing a consolidated LoM closure cost estimate of US$50.9m. The detail supporting the estimate was not available, however, the previous Sabodala closure cost estimate in 2015 did not include the future deposits of Maki Medina, Niakafiri, and Goumbati Kobokoto, which will increase the LoM estimate if not already included. The previous Sabodala estimate also assumed post-closure water treatment is not required. If found incorrect, for example due to the need for extended treatment of arsenic and antimony in pit water and WRD run-off at Massawa, this assumption may result in a significant under-estimate of the post-closure liability.

In addition to this cost, Section 22.6 of the Sabodala Mining Convention also requires an additional US$15m for social closure costs to be paid to the Government of Senegal at the time of closure. The integrated ESIA currently being developed to assess the impacts from the combined Sabodala-Massawa Gold Mine will include an updated and consolidated closure plan, expected in Q3 2021.

The Gora open pit activities were completed in Q2 2018 as scheduled, and the site has been in an active closure phase since then. A regional closure committee was established by authorities for the Gora open pit closure, including all stakeholders involved, regional administration, communities and SGO representatives, to discuss the closure process and

agree relinquishment conditions. A closure audit is planned for 2021 to confirm conditions are met and following approval of the audit and by order of the governor, relinquishment of the lease is expected by the end of 2021. As this is the first open pit mine to be closed in Senegal, there is a risk the closure approval process will take longer than expected and lease relinquishment will be delayed beyond the end of 2021. There have also been previous challenges with rehabilitation of the Gora waste rock dump due to topsoil insufficiencies that, if raised by the closure audit, may delay the approval process

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$32.9m for the Sabodala-Massawa Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$57.9m (Table 9-42) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence in 2027 and 2037 and comprise: pre-closure expenditures of; closure related expenditures; and post closure monitoring expenditures. In addition to the mine closure costs, the retrenchment costs are estimated at US$13.8m which provides for a total Environmental and Social Liability estimate of US$71.7m.

It is however important to note that the Group immediate closure as estimated as presented in Table 9-42 reflects the Group's current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that currently reflected in the ARO estimate by the Group. Furthermore, SRK understands that at present there is no defined fund established for mine closure provisioning at present.

Table 9-42: Sabodala-Massawa Gold Mine Environmental and Social Liabilities

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	1,893	1,893
Waste dumps	5,638	5,638
TSF	5,669	5,669
RoM Pad & Stockpile	-	-
Leach pads	-	-
Explosive Magazine	-	-
Plant	6,117	21,887
Mobile maintenance workshop	-	-
Hydrocarbon	-	-
Road	440	440
Monitoring	-	-
Tailings Water Treatment	162	162
Buildings and Infrastructure	3,857	3,857
Indirect	6,747	6,747
Contingency	2,378	11,574
Total	**32,902**	**57,868**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

9.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to the Sabodala-Massawa Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 9-43; Table 9-44). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR. The scenario presented is limited to depletion of the stated Ore Reserves as at 31 December 2020 and does not reflect the potential for continued operations assuming inclusion of Inferred Mineral Resources and potential expansion of the open pit at a higher short-term gold price.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 9.4 and Section 9.5 of this CPR which projects processing of a total of 77.4Mt grading 1.93g/t with weighted average recovery of 88.0% to produce 4.2Moz of gold. The LoMp assumes the establishment of expanded operations to incorporate the Massawa deposits as well as development of the BIOX® circuit for processing sulphide ores from the Massawa CZ, NZ and the Delya deposits with BIOX® processing assumed to commence in Q4 2023 and attaining nameplate capacity of 1.2Mtpa in 2024 prior to depletion of sulphide feed in 2029. Furthermore, open pit mining operations at the Sabodala deposits are supplemented by underground mining operations to commence in 2028 and reaching approximately 290ktpa in 2029. Open pit mining operations are planned to cease in 2034 with underground operations in 2036. From 2035 onwards the Sabodala-Massawa Process Plant will be processing a mixture of stockpiled open pit ore and underground ores prior to planned cessation of operations in 2038.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold poured is determined at 4,229koz and inclusion of GIC and FG adjustments results in total sales of 4,227koz. Gold production is planned to significantly increase in 2021 to 320koz, increasing to a total of 400koz through to 2026 and thereafter declining to 150koz by 2030 which is generally maintained to assumed closure in 2037.

On 25 September 2020, the Group and Franco-Nevada Corporation ("**Franco-Nevada**") finalized an amendment to the gold stream arrangement (the "**Stream Agreement**"), in which the Group will deliver 783oz of gold per month beginning 1 September 2020 until 105,750oz of gold have been delivered to Franco-Nevada (the "**Fixed Delivery Period**") in exchange for 20% of the spot price of gold for each ounce of gold delivered. At the end of the Fixed Delivery Period (currently assumed by Q1 2032), any difference between total gold ounces delivered during the Fixed Delivery Period and 6% of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6% of production from the Company's existing properties in Senegal (excluding Massawa). The current Financial Model projects delivery of a total of 153,326oz of gold at a total cost of US$170.3m which is not included in the TEPs as presented in this CPR.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported

in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Sabodala-Massawa Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021 and the assumptions as incorporated into the Sabodala-Massawa PFS. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$2.79/$t_{mined}$ for open pit operations, US$72.23/$t_{mined}$ for underground operations and US$12.54/$t_{milled}$ for combined processing operations;
- Site General and Administration annual operating expenditures assumed at US$24.0m in 2021, thereafter reducing to US$20.0m in 2023, US$17.0m in 2028 through 2032 and declining further to US$12.0m per annum on cessation of mining operations;
- The Group also provides services from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$9.3m and the LoMp weighted average unit rate per tonne milled is estimated at US$1.00/t and all allocation are assumed to cease from 2034 onwards;
- Commodity prices for primary consumables inclusive of base prices, transport costs and duties include: steel balls (US$1,230/t); caustic soda (US$820/t); cyanide (US$2,080/t); lime (US$390/t); HCL-32% (US$865/t); and activated carbon (US$3,055/t);
- Royalties determined in accordance with the sliding scale referenced in Section 5.2, other related third-party royalties (the Massawa Waiver and the OJVG Waiver as defined herein) and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 0.5% of the projected sales revenue determined on the basis of gold sales derived from the Massawa deposits and the gold price assumptions as reported herein. In addition, there is a further US$15.0m payment required on assumed cessation of operations in respect of related mine closure activities;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.00/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Senegal which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures totalling US$418.2m a significant portion of which is planned to be expended from 2021 through 2023 and the balance of US$102.1m relating to establishment of underground operations from 2027 onwards. The other key components of the initial US$316.0m expenditure from 2021 through 2023 comprise establishment of: open-pit mining operations at Massawa (US$24.9m); process plant upgrades including the BIOX® circuit (US$236.4m); power generation plant upgrade (US$28.3m); community relocation costs (US$48.1m); and other sustainability related activities (US$1.6m). The capital expenditure estimates, specifically the process and power plant related upgrades include an appropriate contingency of 18% of all direct and indirect costs excluding owner's costs;
- Sustaining capital expenditures of US$220.5m comprising mining equipment (US$56.5m), mine development (US$16.5m), general mine sustaining (US$0.09/$t_{mined}$), process sustaining (US0.60t_{milled}$), G&A sustaining (US$0.08/t_{milled}), TSF related construction and lift costs (US$24.8m) and Massawa open pit dewatering costs (US$18.5m); and other sustaining costs (US$9.9m);
- Capitalised waste estimates as reference above and amounting to a total of US$240.7m over the LoMp; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$71.7m.

Table 9-43: Sabodala-Massawa Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	436,230	40,218	39,422	39,415	37,003	37,005	34,984	35,023	33,099	29,257
Waste	(kt)	367,082	34,152	33,230	34,109	31,263	30,772	27,967	32,136	25,414	26,624
Ore	(kt)	69,148	6,066	6,192	5,306	5,739	6,233	7,017	2,886	7,684	2,633
	(g/tAu)	2.06	2.36	2.73	2.96	3.85	2.18	1.56	1.98	1.31	1.79
	(kozAu)	4,587	459	544	505	711	437	353	184	325	151
Stripping Ratio	(t_{waste}:t_{ore})	5.31	5.63	5.37	6.43	5.45	4.94	3.99	11.13	3.31	10.11
Ore Processed	(kt)	77,365	4,177	4,294	4,521	5,505	5,557	5,559	5,431	5,443	4,823
	(g/tAu)	1.93	2.83	2.92	2.97	2.78	2.52	2.38	1.90	2.48	1.60
	(kozAu)	4,796	381	403	432	493	451	425	331	435	248
Recovery	(%)	88.17	87.47	88.93	86.49	84.84	88.77	88.91	88.40	89.27	89.19
Production	(kozAu)	4,229	333	359	374	418	400	378	293	388	221
Poured	(kozAu)	4,229	333	359	374	418	400	378	293	388	221
Sales											
Gold	(kozAu)	4,227	333	359	374	418	400	378	293	388	221
Operating Expenditure											
Mining	(US$m)	(1,345.1)	(120.39)	(115.01)	(114.93)	(114.08)	(101.19)	(89.34)	(95.57)	(90.09)	(90.67)
Processing	(US$m)	(969.9)	(45.81)	(45.62)	(55.84)	(92.42)	(86.97)	(85.72)	(84.43)	(84.82)	(66.91)
SG&A	(US$m)	(278.3)	(24.00)	(21.25)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(17.00)	(17.00)
CG&A	(US$m)	(77.6)	(9.30)	(9.28)	(9.31)	(7.95)	(7.94)	(7.88)	(7.13)	(5.43)	(3.40)
Realisation	(US$m)	(12.7)	(1.00)	(1.08)	(1.12)	(1.25)	(1.20)	(1.13)	(0.88)	(1.16)	(0.66)
CSR	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	240.7	22.39	18.89	23.09	24.12	3.88	1.48	57.18	0.80	41.39
Total	**(US$m)**	**(2,442.8)**	**(178.11)**	**(173.35)**	**(178.11)**	**(211.58)**	**(213.42)**	**(202.60)**	**(150.83)**	**(197.70)**	**(137.26)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(418.2)	(91.10)	(137.94)	(87.02)	-	-	-	(24.44)	(23.38)	(8.95)
Sustaining	(US$m)	(220.5)	(26.67)	(62.83)	(39.10)	(26.41)	(11.15)	(8.95)	(10.97)	(6.90)	(5.57)
Capitalised Waste	(US$m)	(240.7)	(22.39)	(18.89)	(23.09)	(24.12)	(3.88)	(1.48)	(57.18)	(0.80)	(41.39)
Environmental Closure	(US$m)	(71.7)	-	-	-	-	-	-	(2.71)	-	-
Total	**(US$m)**	**(951.0)**	**(140.16)**	**(219.66)**	**(149.21)**	**(50.53)**	**(15.02)**	**(10.43)**	**(95.30)**	**(31.09)**	**(55.91)**

Table 9-44: Sabodala-Massawa Gold Mine Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	30,361	30,269	30,098	14,290	5,249	383	155	-	-	-
Waste	(kt)	27,522	22,801	26,812	11,822	2,456	-	-	-	-	-
Ore	(kt)	2,839	7,468	3,286	2,467	2,793	383	155	-	-	-
	(g/tAu)	1.46	1.23	1.29	1.22	1.86	5.52	4.76	-	-	-
	(kozAu)	133	295	136	97	167	68	24	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	9.70	3.05	8.16	4.79	0.88	-	-	-	-	-
Ore Processed	(kt)	4,243	4,239	4,244	4,230	4,223	4,011	4,022	2,842	-	-
	(g/tAu)	1.21	1.61	1.18	1.00	1.46	1.15	0.84	0.68	-	-
	(kozAu)	165	220	161	135	198	148	109	62	-	-
Recovery	(%)	89.29	89.68	89.08	88.76	88.91	88.54	88.03	87.99	-	-
Production	(kozAu)	147	197	143	120	176	131	96	55	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Poured	(kozAu)	147	197	143	120	176	131	96	55	-	-
Sales											
Gold	(kozAu)	147	197	143	120	176	131	96	55	-	-
Operating Expenditure											
Mining	(US$m)	(101.17)	(92.81)	(77.51)	(58.62)	(39.94)	(27.10)	(14.74)	(1.91)	-	-
Processing	(US$m)	(41.69)	(41.68)	(41.96)	(41.88)	(42.56)	(40.79)	(40.90)	(29.89)	-	-
SG&A	(US$m)	(17.00)	(17.00)	(17.00)	(14.00)	(12.00)	(10.00)	(8.00)	(4.00)	-	-
CG&A	(US$m)	(2.93)	(2.20)	(1.88)	(2.94)	-	-	-	-	-	-
Realisation	(US$m)	(0.44)	(0.59)	(0.43)	(0.36)	(0.53)	(0.39)	(0.29)	(0.16)	-	-
CSR	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	30.73	-	16.75	-	-	-	-	-	-	-
Total	**(US$m)**	**(132.49)**	**(154.28)**	**(122.03)**	**(117.80)**	**(95.03)**	**(78.28)**	**(63.93)**	**(35.96)**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(2.41)	(0.81)	(8.55)	(18.19)	(10.39)	(4.13)	(0.86)	-	-	-
Sustaining	(US$m)	(4.28)	(3.15)	(3.14)	(2.83)	(2.52)	(2.24)	(2.21)	(1.57)	-	-
Capitalised Waste	(US$m)	(30.73)	-	(16.75)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	-	-	-	-	-	-	-	(68.95)	-	-
Total	**(US$m)**	**(37.43)**	**(3.97)**	**(28.44)**	**(21.02)**	**(12.91)**	**(6.37)**	**(3.06)**	**(70.52)**	**-**	**-**

9.12 Risks and Opportunities

The key **risks** relating to Sabodala-Massawa Gold Mine are:

- **Geological Modelling and Mineral Resources:** The current geological models as developed for the Sabodala-Massawa deposits comprise numerous models developed by a number of previous owners and third-party consultants over a long period of time. Whilst in general the supporting data density is considered appropriate to support the reporting of Mineral Resources reported in accordance with the JORC Code (2012) there remain a number of areas which are required to be addressed in future geological modelling and resource modelling updates. Specifically, SRK notes that the estimation approach adopted often uses parameters which result in highly localised searches and typically utilises blocks which are small in comparison to the drillhole size. As such, SRK considers that the estimation approach for all of the estimates be revisited, with a focus on: block size and approach to parent and sub-blocks; the inclusion of expanded variography (even if the results are relatively poor) and the interpolation via OK; and selection of search parameters, considering the specific data distribution and grade trends of each deposit.

  In applying the above, it is recommended that the resulting estimate be reviewed such that they reflect the underlying data but includes a degree of smoothing that is reflective of the underlying grade variability. Furthermore, SRK makes the following comments for the specific aspects noted:

  – **Geological Modelling:** The sectional wireframing approach (e.g. Sabodala) used has resulted in wireframes which may not reflect the grade trends observed or be oblique to grade trends observed. Multiple intersections of greater than 0.5g/tAu occur outside the modelled wireframes (e.g. Sabodala, Golouma). Separate waste domains have been generated to capture these. SRK considers that a review of the geological modelling approach would potentially improve the geological wireframes, and also reduce the unconstrained estimates within the waste domain.

    At Masato, differences in geological modelling approach between the upper and lower parts of the deposit has resulted in the upper part being modelled as broad, continuous zones, whereas the lower area is more selective. The lower wireframes have also been extended to significant distances beyond the available drilling and there are differences in the overall dip and strike of the modelled upper and lower zones.

    The overall geological modelling approach for all the deposits has been on defining the mineralised material. In several deposits (e.g. Sabodala, Masato and Kerekounda), plunging shoots have been identified, which are not well represented in the block model. There are also areas (e.g. Upper Masato, Niakafiri, Massawa CZ, Massawa NZ and Sofia) where the modelled wireframes contain significant amounts of low or unmineralised material, to maintain continuity of the modelled zones. In some areas (e.g.

Lower Masato and Niakafiri), wireframes have been extended to beyond the available drilling.

- **Grade Interpolation Estimation:** Grade has been estimated into small blocks and the block size used varies, but at the most extreme cases (e.g. Sabodala and Niakafiri) , can be 2.5m by 2.5m by 2.5m, compared to a drillhole spacing of 20m, increasing to 80m to 100m at depth. For other deposits (e.g. Masato, Golouma, Kerekounda etc), the block size increases to 5m by 5m by 5m, which is small in comparison to the drillhole spacing of 20m to 100m. Estimating into small blocks can introduce bias and reduce confidence in the local grade estimates. Typically, the maximum size of the parent block size should be in the region of a half or a third of the drillhole spacing.

  In addition, highly restricted search parameters also have the effect of producing highly localised block estimates around drillholes, meaning the blocks closest to the drillholes are the most poorly informed. The impact of restrictive initial searches is seen in all of the deposits, but is particularly apparent in Sabodala, Masato, Niakafiri, Massawa CZ, Massawa NZ and Sofia. SRK considers that given the relatively high nugget effects observed in the variograms (up to 60%), a more smoothed estimate may be more appropriate, and as such, the grade estimation methodologies should be reviewed.

  In areas of widely spaced drilling (e.g. lower areas of Masato and Niakafiri), there are often areas where grades have been smeared over large distances. Where these are high grades (e.g. >2g/t), these blocks fall into the MSO shapes used for reporting the underground Mineral Resources.

- **Classification:** Classification is coded into the block model, based on defining areas of confidence in the geological and grade continuity, as well as the drillhole spacing. SRK notes there are some areas where the classification approach has resulted in a patchy distribution (e.g. Sabodala and Golouma), but these are typically minor and are typically classified as Inferred Mineral Resources.

  At Masato, the classification applied in the upper part of the deposit has resulted in areas with significant drillhole spacing (i.e. >100m) being classified as Indicated Mineral Resources. This is particularly apparent in the base of the optimised shell used for reporting open pit Mineral resources. Given the wide drillhole spacing, and reduction in confidence in geological and grade continuity, the classification in this area should be reviewed, to ensure it is consistent with the approach used for the other deposits in the Sabodala-Massawa complex.

- **Overall comment for Masato:** SRK notes that Masato has been modelled in two separate phases, given the split ownership of the deposit in the past. As such there is a disconnect in geological modelling and grade and tonnage estimation approaches used between the upper and lower parts of the deposit. The deposit should be re-modelled as a single entity, through combining the databases.
- **Reporting:** The Sabodala-Massawa deposits have been subject to appropriate considerations for ensuring that Mineral Resources are reported in accordance with appropriate economic considerations. For underground Mineral Resources the process has improved from that undertaken historically and are now based on consideration of MSO analysis as opposed to simple application of cut-off grades. This aside there remain a number of deposits which are relatively small, and presently report underground potential. Further work is required to better assess these areas and determine whether these components are likely to represent sufficient economic potential. Accordingly, there remains a risk that a more detailed re-assessment may result in reduced Mineral

Resources from that reported herein.

In summary, the issues highlighted above are partly mitigated against by the fact that the areas subject to mine planning and thereby supporting Ore Reserves are relatively well covered with respect to data density and that certain of the issues identified above generally impact the areas currently classified as lower confidence categories. Furthermore, whilst the global estimates are considered to be reasonable and not biased, it is clear that where selective mining is assumed there is a risk that following a re-estimation process the average grade mined in the higher-grade categories may be lower than that currently assumed. Accordingly, it is recommended that a detailed review and re-estimation is undertaken to redress the deficiencies highlighted above and assess the impact on any revised LoMps;

- **Mining (Selective Mining):** the current LoMps rely in part of assumed selective mining which include both consideration for grade bin determination and process route considerations (SM CIL Plant or refractory SM ROT Plant). With respect to Massawa CZ, this is further complicated by consideration of differing mineralisation styles which is currently assumed to be selectively mined for processing of refractory and non-refractory fresh ores through the SM ROT Plant and SM CIL Plant respectively. This approach is not presently assumed to be practical and if pursued may lead to higher losses and increased dilution over and above that currently assumed. The currently assumed metallurgical recoveries are relatively low and may account for circumstances where refractory material is inadvertently sent to the SM CIL Plant. However there remains a risk that the current strategy will result in increased refractory material being sent to the SM CIL Plant thereby resulting in lower recoveries during this period. This risk will be significantly mitigated through stockpiling of all higher-grade fresh ores from the Massawa CZ open pit for processing at the SM ROT Plant which whilst delaying processing of higher-grade material will result in improved recoveries from that currently assumed;
- **Mining (Underground Mining):** The current technical studies supporting the LoMp are dated and extend from 2011 through 2015. Furthermore, the supporting assumptions for certain of the modifying factors are considered to be optimistic and require further technical work as part of completion of a feasibility study to address these including consideration of mining recovery of 95% and increasing the overall dilution to an average of 10%;
- **Mining (Fleet Replacement):** The open pit operations are currently the subject of a fleet replacement and Planned Component Replacement ("**PCR**") programme which is targeting the replacement of the aging mobile fleet. Timely completion of the programme to focus on the drill and blast and trucking equipment so that the PC3000 shovels achieve the planned productivity is key to achieving the assumed total material mined for 2021 and the next three years;
- **Process Recoveries:** The currently assumed recoveries for the SM ROT Plant are higher when compared with other well-run SM ROT Plants with BIOX® circuits globally. This aside, the modifications as proposed by the Group, including certain modifications in the SM ROT Plant: inclusion of a gravity circuit; inclusion of flotation cleaner cells; and processing of the cleaner tails in the SM CIL Plant will ensure that the assumed SM ROT Plant recovery of 88.4% is achieved;
- **Tailings Storage Facility:** TSF1 is currently assumed to be raised using the upstream method and in respect of the western embankment, there is a risk that in order to meet the prerequisite factors of safety the raising method may need to be converted to centreline. In this instance the embankment volumes and construction materials may be higher than currently assumed and such will incur higher capital expenditures than that currently

assumed. For TSF2 it is presently assumed that this will remain an essentially unlined (clay lined no HDPE liner) facility as per the construction of TSF1. Given the potential for treatment of the cleaner tails from the SM ROT Plant to be deposited onto this facility there remains a risk that contamination may occur resulting in similar seepage to that noted for TST1. Accordingly, further work is required to assess the impact of this risk;

- **Water Management:**
  - **Soluble Arsenic:** Mining and processing of ores from the Massawa Licences require appropriate water management strategies to ensure that soluble arsenic contaminants are not discharged to the environment. In the vicinity of the Massawa deposits there are indications of groundwater contamination which will likely lead to a requirement for water treatment options both for water make from pit dewatering and potentially surface run-off from WRDs. The current assumption in this regard assumes a passive system but also recognises the potential for installation of a more active water treatment option. Further work is required to address this issue and is planned as part of the SMEP 2020 FS.
  - **Water Quality:** At TSF1 there is reference to potential seepage involving soluble arsenic from this unlined facility although some results indicate Arsenic values are below 0.1ppm. The extent to which this is occurring is however uncertain and further work is required to assess the impact and any necessary remedial measures.
  - **Impact Assessment:** The impact assessment completed to date, is focused either on Sabodala or Massawa operations at a site (local) scale. The cumulative impacts of both operations within their catchment however has not been evaluated to date. This is particularly critical given the context of current catchment risks including high baseline water stress, high drought frequency probability, and high downstream freshwater dependent biodiversity including a UNESCO Key Biodiversity Area (Niokolo-Koba National Park). There is currently a lack of hydrogeological characterisation and baseline groundwater quality monitoring, particularly at Sophia North pit leading to deficiencies in the current assessment of potential water impacts.
  - **Water Balance:** The water balance assessments completed to date are limited in nature and do not include a detailed site wide water and/or load balances available for the site and surplus water discharge requirements, in particular, are currently uncertain. The SMEP 2020 PFS assumes freshwater would be available from 2020 onwards, however it is unclear clear how this will be achieved. Given the high-water resource stress in the catchment, with particular scarcity of surface water, a make-up water supply study is required.
  - **Pit Dewatering:** At Sofia Main the slope designs have assumed that the slopes will be depressurised and given the presence of variable saprolite thickness it is recommended that the southern sector of the footwall will require advanced dewatering. Mining of Sofia North will now take place without a river diversion, which brings associated risks of transient pore water pressure increases above the design assumption as well as pit flooding under extreme rainfall;
- **Permitting:** Both Sabodala and Massawa are covered by separate approved ESIAs and a combined ESIA is planned for completion by the end of 2021 in order to assess the impact of the integrated operations. Accordingly, there remains a degree of risk that the approval process takes longer that planned and therefore negatively impacts the proposed completion of Phase 2;
- **Environmental and Social Issues (Mine Closure):** The LoMp liabilities as reported herein comprise both direct mine closure related expenditures and retrenchment expenditures.

The retrenchment estimates whilst not based on a detailed employee length of service demographic analysis, is based on recent experience in Senegal and as such is considered to be a reasonable estimate for the future liability to be incurred on closure. The mine closure cost however is derived from inventory assessments and unit rate assumptions largely focused on landform remediation and in the absence of an appropriately detailed and engineered mine closure plan is considered to be at best a scoping level estimate. Accordingly there remains a risk that following completion of additional technical work which is presently planned in accordance with the newly established Group Standard for Mine Closure that the estimates as presented herein may change specifically when considering the potential impacts of ARDML and any requirements for active water treatment which are at present poorly informed given the level of technical studies completed to date. Furthermore, in respect of Environmental and Social Matters the key recommendations concluded are:

  - to complete additional technical studies to assess the requirement for active water treatment for both pit dewatering discharges, WRD run-off and other contact areas which are at risk for contamination of soluble arsenic and other contaminants,
  - to investigate the extent and impact of seepage referenced in respect of TSF1,
  - to re-instigate surface water quality monitoring,
  - to establish a compliance obligations database for obligations in permits and agreements and track conformance with these systematically,
  - to prepare mine closure plans and cost estimates aligned with the Group Mine Closure Standard as planned,
  - to maintain the proactive and continuous community stakeholder engagement; and

- **Environmental and Social (Artisanal Miners):** No more than 10km from the Massawa CZ is the KB concession located on the Massawa Licence that has been set aside for small scale artisanal mining. There are currently thousands of artisanal miners on the KB concession and once operations start at Massawa CZ, the risk of gold theft when mining the high-grade, “free” gold quartz lodes is possible. Accordingly, it is key that appropriate security measures and other strategies are implemented to mitigate against this risk.

The key **opportunities** relating to Sabodala-Massawa Gold Mine are:

- **Geology and Mineral Resources (exploration potential):** Exploration Potential at the Sabodala-Massawa Gold Mine is focused on existing mineralisation, identified prospects and targets which are open along strike and at depth along the two major regional structures, corresponding structural corridors and the area between these. Established deposits are located on the first-order structures: the Sabodala and Sofia deposits are located on the SSZ, and the Massawa and Delya deposits are located on the MTZ. Approximately 38km of the SSZ and 40km of the MTZ are located on the Sabodala-Massawa Gold Mine licences and exploration permits. The area represented between these structures host prospects and targets located in adjacent parallel, and second and third order structural zones. These structural zones consist of northwest trending linking structures between major shear zones as well as structures wrapping around major intrusions; and
- **Life of Mine Plan extensions:** Certain of the open pits whilst limited to Ore Reserves do mine a portion of Inferred Mineral Resources which are presently ascribed no revenue and effectively treated as waste. For Sabodala-Massawa Gold Mine the Inferred Mineral Resources reporting within the current pit designs is noted at 2.8Mt grading 1.21g/tAu and containing 107kozAu which if processed would extend mine life by approximately 9 months. Extension of the mine life beyond this based on current Mineral Resources would require an

increased long-term gold price to approximately US$1,500/oz and in this instance a further 17.5Mt grading 1.57g/tAu for 0.8Moz could support continued operations for a further three years albeit at a higher stripping ratio than currently reported herein. In addition, the most significant potential at Massawa is related to the partly demonstrated continuity of the high grade Massawa CZ mineralisation at depth. The possibility of defining a large underground resource is considered to be high; and that further exploration is warranted to assist with better defining any extensions to the currently defined Mineral Resource.

10 WAHGNION GOLD MINE

10.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

This section also includes historical operating and financial statistics sourced from both public domain data filed by the Group and more detailed and granular information sourced from on-mine reporting systems. Accordingly, it is important to note that information sourced from on-mine management reporting systems have not been subject to external audit and should not be construed to be at the same level of accuracy as that reported publicly. Furthermore, for the periods ending 31 December 2018 through 2020, the Group has restated the pre-Acquisition cash costs in accordance with its accounting policies and accordingly will differ from those cash costs reported herein.

The current Mineral Resource and Ore Reserve Statements as reported for Wahgnion Gold Mine are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Group's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

The LoMp reported herein is limited to depletion of Ore Reserves only and does not include any assumed production from additional material reporting within the current Mineral Resources as reported in the 2020 Statements.

10.2 Mineral Asset Background

Commissioned in 2019 Wahgnion Gold Mine comprises numerous open pits and a carbon-in-leach processing facility (the "**Wahgnion CIL Plant**"), a single TSF, WRDs and other supporting infrastructure. The current LoMp assumes mining from a total of four mining operations: Nogbele (comprising Nogbele North and Nogbele South); Fourkoura; Samavogo; and Stinger. Mining operations are assumed to continue from 2021 through 2029.

The current LoMp as reported herein is limited to depletion of the Ore Reserves (including stockpiles) from 1 January 2021 through calendar 2029. Total material mined is planned to peak at 41Mt as mined production increases from the 27Mt planned for 2021. Total ore processed is assumed at 3.4Mtpa in 2021 which then reduces to 3.2Mtpa from 2023 onwards to process a total of 26.4Mt grading 1.61g/tAu and total gold production of 1.3Moz attained at a weighted average metallurgical recovery of 93.1%. Annual gold production is generally maintained at 150koz with 2023 and 2025 forecasting higher at approximately 180koz based on an average grade mined and processed. Weighted average AISC is forecasted at 1,079/ozAu. Total capital expenditure comprising growth (including non-sustaining) and sustaining capital is estimated at US$184.3m with mine closure costs (inclusive of retrenchment) estimated at US$29.6m. The current mining operations are a combination of owner and contractor operated and are largely planned to remain as such for the remainder of the LoMp.

The technical information as reported herein is largely sourced from: an *"Amended Technical*

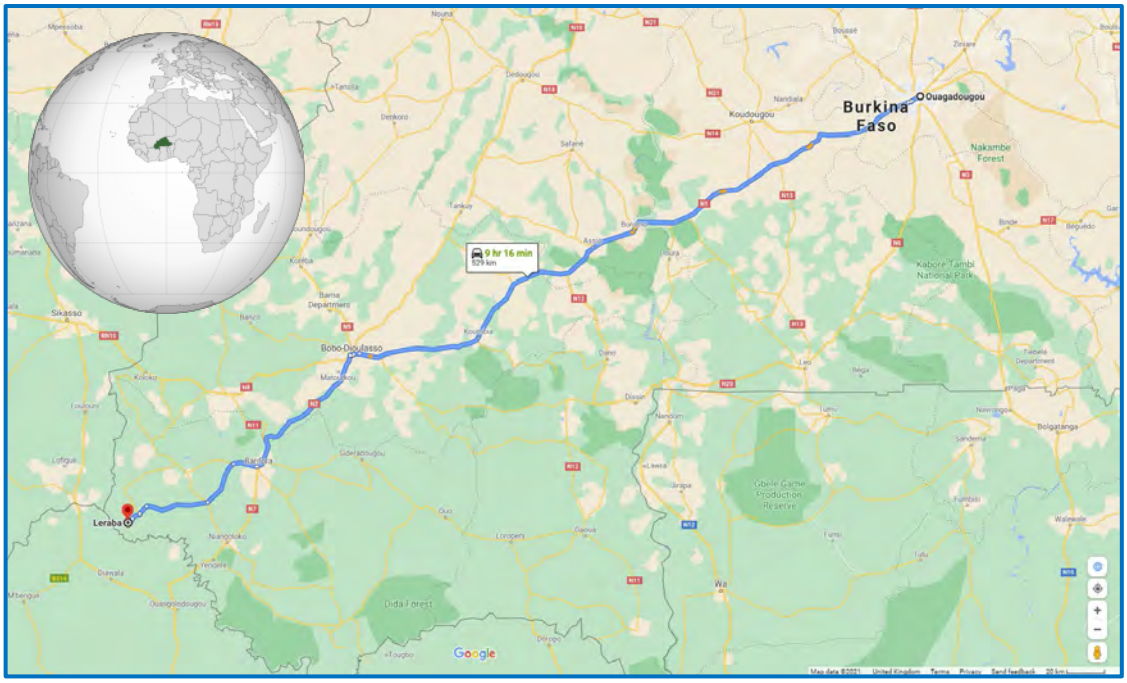
Report on the Wahgnion Gold Operations, Burkina Faso" published by Teranga on 31 July 2019 (the "**Wahgnion 2019 TR**") and amended from an earlier report dated 31 October 2018; and the latest annual LoMp generated by the Group as part of its annual planning process; and the Mineral Resource and Ore Reserve statements dated 31 December 2020.

Location, Access and Infrastructure

Wahgnion Gold Mine is located at latitude 10°22'41" north and longitude 05°23'43" west in Léraba Province, Cascades administrative region, southwestern Burkina Faso, West Africa and is situated approximately 510km southwest of the capital city of Ouagadougou. The mine is accessible by driving west southwest along the Route Nationale (N1) from the capital of Ouagadougou to the town of Bobo-Dioulasso, then southwest along paved secondary road (N2) to the town of Banfora, a distance of approximately 440km. From Banfora to the town of Sindou, a distance of approximately 75km, the road is paved and well maintained. An unpaved, but well-maintained road exists from Sindou to the Wahgnion Gold Mine.

The Wahgnion Gold Mine is located in the commune of Niankorodougou with a small amount in the commune of Dakoro, both in Léraba Province. Six communities are located within the mine footprint and are in the process of being resettled or partially resettled in accordance with the mining plan. These communities are Djondougou, Nadjangoala, Nagueledougou, Zangounka, Katolo and Zegnedougou, the first of which have been resettled. The area is generally rural with the vast majority of land utilised for agricultural purposes and pastoral breeding. The mine area has also been subject to artisanal scale mining activities, which has resulted in impacts on landscape, soil and surface water.

Figure 10-1: Wahgnion Gold Mine location map



Physiography and Climate

The Léraba River forms the southern border of the project area and also the international border between Burkina Faso and Côte d'Ivoire. Small ephemeral tributaries of the Léraba River cross the area, typically flowing in a southerly or south-westerly direction.

The Wahgnion Gold Mine is located in the tropical savannah climate zone with a distinct wet and dry season. Based on rainfall data collected over a 20-year period (1989 to 2008) at three

locations within the Léraba catchment, the area experiences approximately 1,100mm of rain per year although an increasing trend has been observed since rainfall data collection began in 1989. Most rain falls during the wet season, which is from May/June until September. August represents the peak of the wet season, with an average rainfall of 287mm, while January represents the driest month with almost no rainfall occurring (average of 1.6mm). Daily temperatures are generally in the range of 22°C to 33°C. Mean annual evapotranspiration is approximately 1,000 mm, which is less than the average annual rainfall. Hot dry north-easterly winds from the Western Sahara (Harmattan) occur between November and March.

Ownership, Mineral, Mining and Exploration Rights

The Group manages its equity interest in Wahgnion Gold Mine via a 90% equity interest in Wahgnion Gold Operations SA ("**WGO**") which in turn has a 100% equity interest in the Wahgnion Gold Mine and the remaining 10% is held by the GoBF.

Pursuant to its mining convention with the GoBF, the Group is required to pay a royalty based on a sliding scale in accordance with the prevailing gold price: 3.00% to US$1,000/ozAu; 4.0% from US$1,000/ozAu to US$1,300/ozAu; and 5.0% above 1,300/ozAu. In addition, all gold production from Wahgnion Gold Mine is subject to a 1% net smelter return (NSR: net of government royalties, taxes and excise duties) which is payable to a private third party, Sanembaore Sarl Pty Ltd.

Furthermore, in accordance with its mining convention, gold sales from the Wahgnion Gold Mine is also subject to contributions to a Social Development Fund of 1.0%.

Wahgnion Gold Mine has a single exploitation licence (the "**Wahgnion Licence**") granted in accordance with Decree No. 2014-675-PRES/PM/MME/MEF/MEDD of 1 August 2014 and accompanied by the "**Wahgnion Mining Agreement**" between the Group and the GoBF (Table 10-1). The Wahgnion Licence was amended by Decree No. 2015- 092 /PRES-TRANS/PM/MME/MEF/MERH of 5 February 2015 to update the licence area boundaries and by Arrêté No 2018-145 MMC/SG/DGMG of 23 July 2018 to modify the development plan and processing method. The Wahgnion Licence and mining agreement are valid for 20 years from issue on 1 August 2014 and renewable for consecutive periods of five years.

In addition, the regional land package also includes five exploration permits which extends over an area of 920km^2 in which the Group has a 100% equity interest held through a wholly owned subsidiary Gryphon Minerals Burkina Faso SARL ("**Gryphon**").

Table 10-1: Wahgnion Gold Mine Exploitation Licences

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Wahgnion Gold Operations SA	Wahgnion	2014-675	90.00	89.1	01/08/2034	13.6

The 2015 Mining Code requires licence holders to conduct their activities with respect of human rights of affected populations, in particular their rights to a sufficient standard of living and to a constant improvement of their conditions of existence. The Code also requires the creation of a mining development fund and a mining rehabilitation and closure fund. The mining development fund is allocated to the financing of regional and communal development plans and is financed by contributions from the State (20% of royalties collected) and the licence holder (1% monthly turnover exclusive of tax).

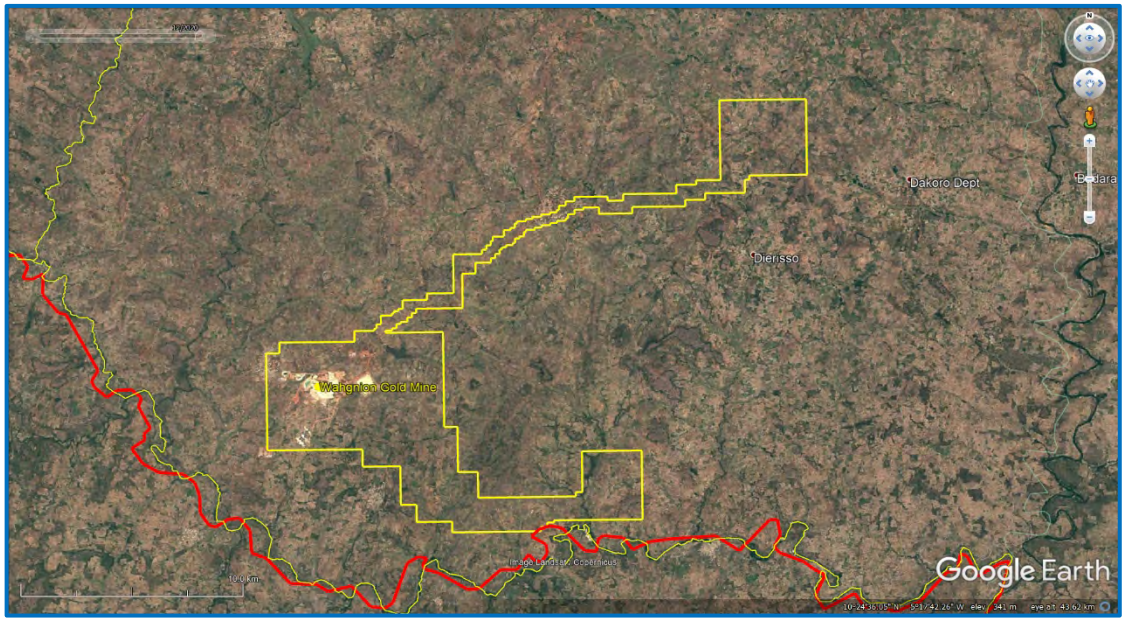
The rehabilitation and closure fund is financed by annual contributions from licence holders according to the projected costs of the rehabilitation programme defined in the 2014 ESIA. The 2015 Mining Code also requires environmental management system audits every two years.

The Wahgnion Licence requires the operator to submit a quarterly report to include status of local employment, socio-economic achievements, minutes of stakeholder meetings and dispute

management committees and status of implementation of the environmental and social management plan ("**PGES**"), in particular rehabilitation activities. A comprehensive report is due at the end of each calendar year.

The Wahgnion Mining Agreement commits the operator to preferentially employ local people and gradually replace expatriate staff by qualified local personnel who have acquired the same training and experience on the job. Article 9 of the Wahgnion Mining Convention (2015) guarantees to the operator the occupation and use of all land that is necessary for mining the deposits inside or outside the perimeter of the mining permit in accordance with requirements of the Mining Code of Burkina Faso. The operator is required to pay fair compensation to residents whom it may be necessary to relocate to carry out the mining operation. The same applies to loss of use or damage to people who hold land titles, occupation titles or customary rights over the mining area.

Figure 10-2: Wahgnion Gold Mine mineral tenure map



Historical Development

Much of the current Wahgnion Mine area was held by Western Mining Corporation Ltd ("**WMC**") from 1996 to 1999. Initial wide spaced vertical rotary air blast ("**RAB**") drilling by WMC encountered significant mineralisation at the Nogbele and Fourkoura deposits. Resolute (West Africa) Ltd ("**Resolute**") and Sanembaore held the property from 1999 to 2005 and completed geological mapping, soil sampling, RAB, and RC drilling (Resolute) and geological mapping and rock chip sampling (completed by a third party Sanembaore). Sanembaore joint ventured the property with Gryphon between 2005 and 2007.

In 2007, Gryphon acquired Sanembaore's interest in the property and initiated a comprehensive exploration program consisting of geological mapping at various scales, remote sensing, soil and stream sediment sampling, trenching, airborne geophysical surveying, ground geophysical surveying and auger, air core, RAB, RC, and diamond drilling on a number of targets. Between 2011 and 2015, Gryphon completed mineral resource estimates and resource updates on the Nogbele, Fourkoura, and Samavogo deposit groupings. In 2013, Gryphon completed a feasibility study based on an open pit mining scenario and a 2.0Mtpa CIL processing plant (the "**Wahgnion 2013 FS**"). An updated feasibility study examining the potential for reduced capital through the construction of a 2.0Mtpa heap leach processing option was completed in 2014

(the "**Wahgnion 2014 FS**").

Through Teranga's acquisition of Gryphon in 2016, Teranga acquired the Wahgnion development project and commenced a feasibility study which was completed in October 2017 (the "**Wahgnion 2017 FS**").

Construction commenced in 2018 and further exploration and geological modelling resulted in a significant increase in Mineral Resources and Ore Reserves. Construction was completed in 2019 and the first gold pour occurred in August 2019 with commercial production declared on 1 November 2019. On 10 February 2021, the Wahgnion Gold Mine was acquired by the Group through the Teranga Acquisition.

Historical Operating Performance

Table 10-2 presents a summary of the technical and economic performance for Wahgnion Gold Mine reflecting all revenue and expenditures from 2015 through 2020. Since 2019, Wahgnion Gold Mine has mined a total of 5.34Mt of ore grading 1.48g/tAu with an accompanying stripping ratio of 6.2t_{waste}:t_{ore}. During this period the Wahgnion CIL Plant processed a total of 4.56Mt grading 1.60g/tAu to produce 223koz of gold indicating an overall recovery of 94.8% to enable sales of 216kozAu at an overall AISC of US$957/oz. Total capital expenditures are reported at US$344.8m with project construction accounting for US$137.3m in 2018 and US$129.7m in 2019. Total operating profit and total pre-tax pre-finance cashflows since 2015 is reported at US$175.6m and negative US$169.2m respectively.

For the 12-month period ending 31 December 2020 Wahgnion Gold Mine processed 3.61Mt grading 1.59g/tAu with a recovery of 94.9% resulting in gold production of 175koz. Total sales in 2020 reported 181kozAu with accompanying AISC of US$898/oz. Financial performance statistics for 2020 indicate operating profit of US$179.6m and pre-tax pre-finance cashflows of US$136.9m.

Table 10-3 presents a summary of historical performance and current guidance as published by the Company for the period 2015 through 2021 which for 2021 projects the following KPI: production 140kozAu to 155kozAu; AISC US$940/oz to US$990/oz; and total capital expenditure of US$52.0m (non-sustaining capital expenditure of US$26.0m; sustaining capital expenditure of US$14.0m; and exploration expenditure of US$12.0m).

Table 10-2: Wahgnion Gold Mine historical performance[(1)]

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Stripping Ratio	(t_{waste}:t_{ore})	6.2	-	-	-	-	6.9	5.9
Mined	(Mt)	38.61	-	-	-	-	12.15	26.46
Waste	(Mt)	33.26	-	-	-	-	10.62	22.65
Ore	(Mt)	5.34	-	-	-	-	1.53	3.81
	(g/tAu)	1.48	-	-	-	-	1.37	1.53
	(kozAu)	255	-	-	-	-	67	187
Processing	(Mt)	4.56	-	-	-	-	0.96	3.61
	(g/tAu)	1.60	-	-	-	-	1.63	1.59
	(kozAu)	235	-	-	-	-	50	185
Recovery	(%)	94.8	-	-	-	-	94.6	94.9
Production	(kozAu)	223	-	-	-	-	47	175
Sold	(kozAu)	216	-	-	-	-	34	181
Financial								
Revenue								
Gold Price	(US$/oz)	1,710	-	-	-	-	1,472	1,756
Revenue	(US$m)	368.8	-	-	-	-	50.7	318.1
Operating Expenditure								
Mining	(US$m)	(90.4)	-	-	-	-	(26.4)	(64.0)
Processing	(US$m)	(46.1)	-	-	-	-	(10.2)	(35.9)
Site G&A	(US$m)	(27.9)	-	-	-	-	(8.9)	(19.0)
Regional G&A	(US$m)	-	-	-	-	-	-	-
Refining, Transport, By-product	(US$m)	(2.1)	-	-	-	-	(0.3)	(1.8)
Royalty + SDF	(US$m)	(25.9)	-	-	-	-	(3.6)	(22.3)
Capitalised Waste	(US$m)	3.5	-	-	-	-	-	3.5
Exploration Expense	(US$m)	-	-	-	-	-	-	-
Inventory Movement (cash)	(US$m)	(4.3)	-	-	-	-	(0.3)	(4.0)
Inventory Movement (non-cash)	(US$m)	-	-	-	-	-	-	-
Total	**(US$m)**	**(193.2)**	**-**	**-**	**-**	**-**	**(49.7)**	**(143.5)**
Operating Profit	**(US$m)**	**175.6**	**-**	**-**	**-**	**-**	**1.1**	**174.6**
Capital Expenditure								
Growth & Exploration	(US$m)	(313.5)	-	(10.0)	(24.1)	(137.3)	(129.7)	(12.4)

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Sustaining	(US$m)	(31.4)	-	-	-	-	(2.1)	(29.3)
Non-Sustaining	(US$m)	-	-	-	-	-	-	-
Working Capital Movement	(US$m)	-	-	-	-	-	-	-
Total	**(US$m)**	**(344.8)**	**-**	**(10.0)**	**(24.1)**	**(137.3)**	**(131.8)**	**(41.7)**
Pre-Tax Pre-Finance Cashflows	**(US$m)**	**(169.2)**	**-**	**(10.0)**	**(24.1)**	**(137.3)**	**(130.7)**	**132.9**
Unit Rates								
Mining	(US$/$t_{mined}$)	2.34	-	-	-	-	2.17	2.42
Processing	(US$/$t_{proc}$)	10.10	-	-	-	-	10.66	9.95
Site G&A	(US$/$t_{proc}$)	6.11	-	-	-	-	9.26	5.27
Regional G&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	36.01	-	-	-	-	47.44	32.97
Refining, Transport, By-product	(US$/oz)	9.9	-	-	-	-	9.9	9.9
Royalty + SDF	(%)	7.0	-	-	-	-	7.0	7.0
AOC	(US$/oz)	807	-	-	-	-	886	792
AISC	**(US$/oz)**	**957**	**-**	**-**	**-**	**-**	**975**	**954**
AIC	(US$/oz)	2,475	-	-	-	-	5,258	1,000
Total Costs	(US$/oz)	2,475	-	-	-	-	5,258	1,000

(1) All information sourced from public domain reporting data.

Table 10-3: Wahgnion Gold Mine: historical and current guidance(1)

Guidance Item	Units	2016	2017	2018	2019	2020	2021
Production	(kozAu)	-	-	-	30-40	130-140	140-155
AISC(1)	(kozAu)	-	-	-	1,050-1,125	900-1,000	940-990
Growth	(US$m)	-	-	-	145-150	-	-
Sustaining	(US$m)	-	-	-	-	15-20	14
Non-Sustaining	(US$m)	-	-	-	-	10-15	26
Exploration	(US$m)	-	-	-	-	-	12-

(1) AISC estimate reflect the Company's reporting policy at the time of reporting.

10.3 Geology and Mineral Resources

10.3.1 Regional and Deposit Geology

The Wahgnion Gold Mine is located in the southwest corner of Burkina Faso within the Paleoproterozoic Birimian Senoufo Greenstone Belt. The Senoufo Belt trends north-northeast and comprises mainly basaltic and andesitic volcanic rocks, lesser sedimentary rocks, and numerous gabbroic to granitic sub-volcanic plutons.

The oldest greenstone rocks in southwestern Burkina Faso are tholeiitic to calc-alkaline, predominantly extrusive volcanic units that are geochemically similar to rocks from present-day volcanic island arc environments. Birimian sedimentary basins are abundant throughout the region and are thought to unconformably overlie the older greenstone basement rocks.

Voluminous granitic and gneissic rocks surround the greenstone belts and are, in general, tonalites or granodiorites with a trondhjemitic affinity. Potassic, often biotite-bearing granitic rocks were intruded later. In places these rocks have a more evolved alkaline syenitic composition. Early Proterozoic rocks within the concession area are interpreted to be tholeiitic to calc-alkaline basalts, andesites, and volcaniclastic sediments. These units include pillow basalts, bomb agglomerates, and associated extrusive volcanic and occasional basaltic flows. These rocks are thought to correlate with the basal sequences in the adjacent Banfora, Houndé, and Boromo greenstone belts. Predominantly mafic, volcano-sedimentary packages dominate the younger parts of the local stratigraphy. Metamorphic conditions appear to have peaked at greenschist facies with occasional amphibolite facies rocks outcropping in contact aureoles around some of the intrusive rocks.

Mineralisation at Wahgnion (Figure 10-3; Figure 10-4) is structurally controlled and is widely associated with hematite, iron carbonate, sericite, pyrite and locally, with albitic alteration. Higher gold grades are commonly associated with stylolitic laminated quartz veins or pyrite veinlets. Coarse-grained gold is found in fractures within pyrite veins or in quartz-carbonate vein selvages. Mineralisation is predominantly of a lode-style gold type, associated with discrete structures. All mineralisation at Wahgnion is interpreted to have formed from the same mineralising system, with variations in style reflecting local differences in lithological and structural setting.

Figure 10-3: Wahgnion Gold Mine local geology

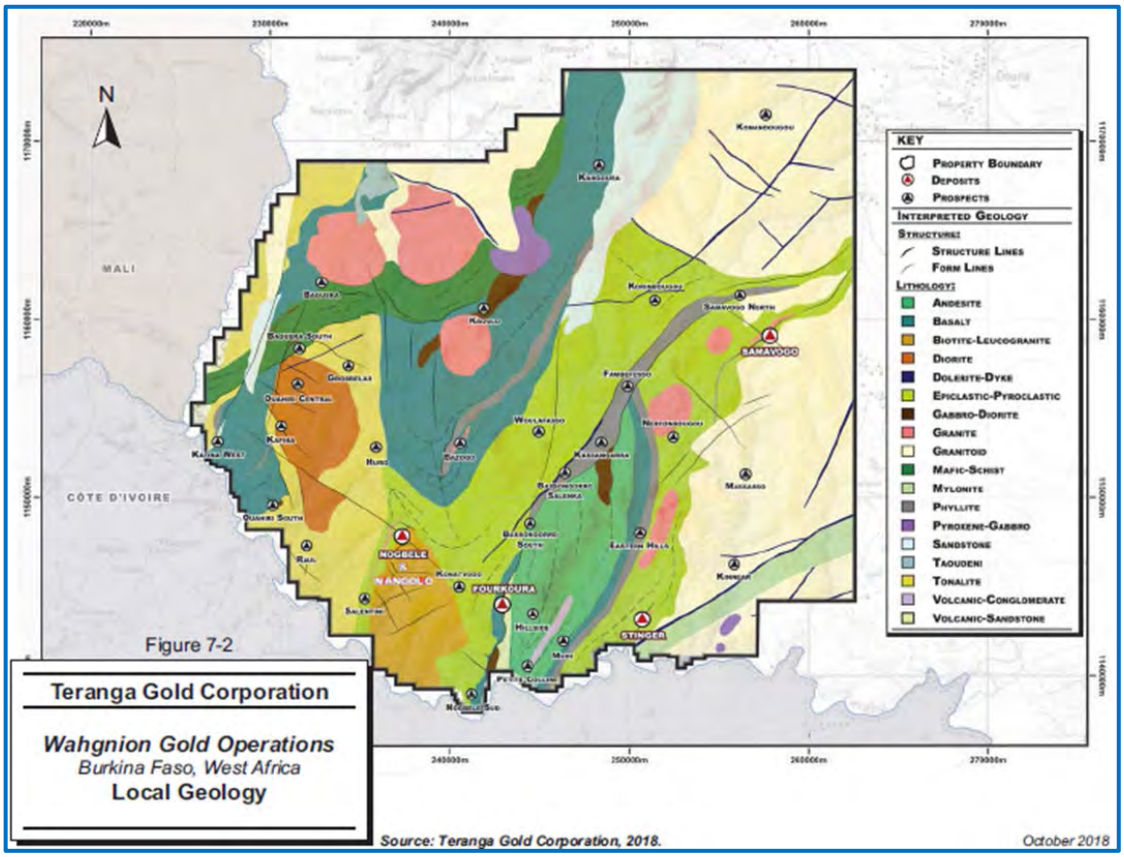
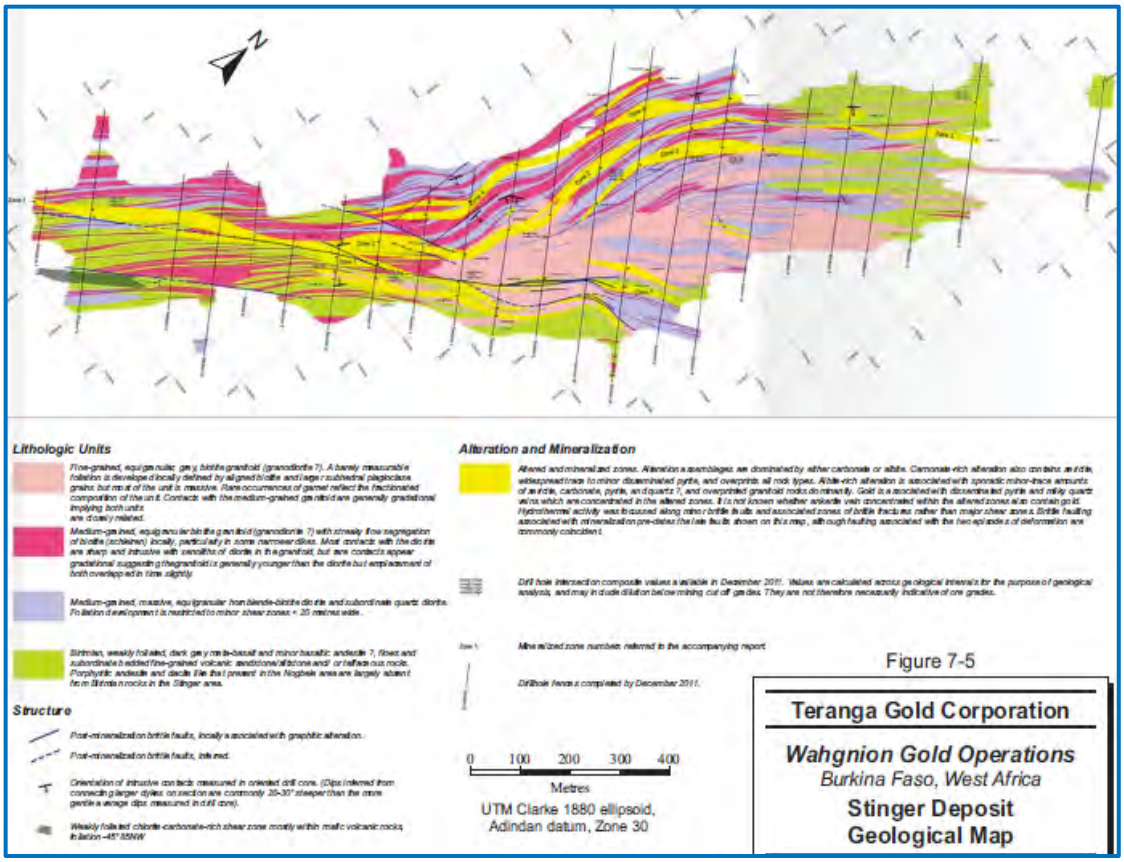


Figure 10-4: Wahgnion Gold Mine: Stinger deposit geology



10.3.2 Exploration Activity

Soil geochemical data covering southwestern Burkina Faso generated by the Bureau des Mines et de la Géologie du Burkina, United Nations Development programme, and BHP, was acquired by WMC in the 1990s and used to target prospective areas for follow-up. WMC held much of the current Property area during 1996-1999 and conducted a 250m line-spacing aeromagnetic survey (flown by Geoterrex in 1997), geological mapping, soil sampling, and first-pass RAB drilling (196 holes for 5,014m). All of the WMC drill holes were vertical with depths of 4m to 54m (average 26m). Four prospects were drilled, Nogbele, Fourkoura, Fambefesso, and Kassangara, with significant gold mineralisation encountered at Nogbele and Fourkoura. WMC withdrew from its African projects in the late 1990s and divested the Property to Resolute in 1999.

Resolute completed soil sampling, detailed geological mapping, and RAB drilling (91 holes for 3,855m) at the Nogbele, Fourkoura, and Woulafasso prospects. Several significant gold intercepts were encountered, however Resolute became financially strained and withdrew in early 2000. Sanembaore continued exploration including detailed geological mapping (1:1,000, 1:5,000, and 1:20,000) and rock chip sampling within the Nianka and Nogbele permits until 2005, when a joint venture was initiated with Gryphon. Soil sampling was conducted over much of the central part of the Property on a 300m by 500m grid; local higher resolution surveys (200m by 100m and 100m by 50m sample spacing) were conducted over several prospects; including Nogbele, Fourkoura, Woulafasso, Fambefesso, Kassangara, Bavigue, and Ouhirambougou.

In 2007 the Gryphon/Sanembaore joint venture was terminated. Gryphon assumed sole control of the property and completed exploration in four phases: regional soil geochemistry, district scale geological mapping, and rock chip sampling; reconnaissance RAB and air core drilling; wide-spaced reverse circulation and diamond core drilling to determine approximate gold grade and lode geometry; and infill reverse circulation and diamond drilling to support a mineral resource estimate.

From 2007 to 2015 Gryphon excavated trenches targeting anomalous soil results in a number of areas. Trenches were dug both manually and mechanically to a depth of up to 3m. In addition, 25,778 soil samples were taken across the property area, including 3,933 samples taken from the mining lease. Soil samples were taken on 100m by 20m to 400m by 200m spaced grids. Samples were sieved to <2mm fraction to remove vegetation and rock fragments and analysed by bulk leach extractable gold analysis ("**BLEG**").

From 2010 to 2011 Gryphon conduct airborne magnetic, radiometric and VTEM surveys over the property, with follow-up ground magnetic and gravity surveys from 2012 to 2014. From 2011 to 2012, a regional stream sediment sampling program was undertaken across the entire property, with samples taken at a density of one sample per 5km^2, and 600g samples sent for BLEG analysis. Samples were also analysed for minor elements using aqua regia digestion and analysis by inductively coupled plasma optical emission spectroscopy ("**ICP-OES**").

Resource definition drilling began on all four main deposits, Nogbele, Fourkoura, Stinger, and Samavogo, before 2011, at a nominal 100m by 100m spacing. Additional focused infill drilling was carried out during 2017 with the intention to upgrade the existing Inferred Mineral Resources located adjacent to the open pits. Infill drilling identified additional mineralisation, along-strike extensions of existing mineralisation and new links between individual mineralised zones. A total of 72,921m were completed in 1,666 holes; comprising 64,518m drilled in 1,581 RC holes and 8,403m drilled in 85 diamond core holes.

Regional exploration activities continued during 2017; including prospecting, auger and RAB

drilling and limited reverse circulation and diamond core drilling at a number of early-stage exploration prospects (Hillside, Kafina West, Raul, Ouahiri, Petite Colline and Konatvogo). Subsequent exploration programs are planned based on favourable results from this work. In 2018 exploration was scaled back in favour of project development activities. No new drilling and minimal field activities were undertaken. In 2019, exploration activities continued at a reduced level, mainly comprising data compilation, interpretation and prioritization of future exploration targets.

Exploration activities resumed at the Wahgnion License during the last half of 2020 with drilling programs targeting resource expansion at the Fourkoura deposit as well as delineating potential Mineral Resources at the Konatvogo and Dagano prospects. A total 11,943m were drilled in 104 reverse circulation and diamond core holes. Sterilization drilling was undertaken on waste dump areas, with 92 reverse circulation holes totalling 3,525m completed. Soil sampling was conducted at Dagano, Muddhi, and Bangoro South prospects. Drilling was conducted at the latter prospect comprising a total 4,762m in 37 holes.

A summary of the drilling conducted at each of the four main deposits, Nogbele, Fourkoura, Stinger and Samavogo, is presented in Table 10-4.

Table 10-4: Wahgnion Gold Mine: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
Nogbele/Nangolo	4,964	338,494	10m-40m by 5m-40m	2	97		1
Fourkoura	774	44,499	10m-50m by 5m-30m	5	95		0
Samavogo	931	79,276	30m-80m by 20m-80m	1	97		2
Stinger	901	80,231	10m-40m by 5m-30m	18	80		2
Total	**7,570**	**542,500**		**4**	**95**	**-**	**1**

10.3.3 Quality and Quantity of Data

Core and RC holes were mainly sampled at 1m intervals; sample intervals are not stopped at boundaries between different material and rock types. Drill core is immediately removed from the field and marked up in the secure core shed facility located at the exploration camp. Half-core 1m drill core samples are marked then cut with a diamond saw. Individual samples are bagged and sealed with assigned sample numbers, then grouped and sealed inside larger rice bags. Samples are transported from site by the assay laboratory trucks to the BIGS Global Burkina Sarl laboratory in Ouagadougou. Unsampled core, RC chip trays, and remaining RC material are stored at the exploration camp.

Upon receipt at the commercial laboratory, the samples are registered, weighed, dried, weighed again, and then crushed to 6mm. After crushing the RC samples are quartered and reduced in a Rocklabs splitter. The core samples are not reduced. Samples are then pulverized to pass 70µm to 75µm meshes. A 200g sample is split for analysis by fire assay and the remainder of the pulp is stored.

The fire assay method comprised the following steps:

- A 50g charge of the sample is weighed out and blended with flux;
- The blend is smelted in crucibles to produce a lead alloy;
- The lead alloy is refined and then undergoes cupellation (oxidation) to produce a doré bead;
- The doré bead is weighed on the fire assay balance and then digested;
- Initial digestion is with nitric acid, to dissolve silver, followed by the addition of aqua regia to dissolve gold; and
- Final gold and silvers contents are determined using AAS.

The BIGS Global AAS instrument is a VARIAN Spectra AA 55B which is routinely calibrated. The laboratory commonly processes 800 to 900 samples per day, including internal duplicate

samples used by the laboratory for internal checks. Analytical results are kept on hard copies in the laboratory and electronic versions are emailed to the Group.

In addition to the standard internal laboratory quality control measure employed, a blind Quality Assurance and QA/QC program is followed, consisting of geological standards, blanks, and duplicate samples inserted into the sample stream at regular intervals.

The current sample collection and preparation, analytical techniques, security and QA/QC protocols implemented are consistent with standard industry practice and are suitable for the reporting of exploration results and for use in Mineral Resource estimation. The sampling procedures are adequate for and consistent with the style of gold mineralisation under consideration.

Previous independent and internal reviews have been carried out for drill hole data, logging, drilling and sampling procedures, geological interpretation, and density determinations, and independent check sampling has previously been completed; no significant discrepancies identified. The resource database is considered to be valid and acceptable for use in Mineral Resource estimates.

10.3.4 Mineral Resource Estimation

Geological Domaining, Block Modelling and Interpolation

Wahgnion Mineral Resources comprise four main gold deposits: Nogbele, Fourkoura, Samavogo and Stinger. Fourkoura, Samavogo and Stinger were modelled individually; Nogbele comprises two adjacent sub-deposits Nogbele North (including Nangolo) and Nogbele South. Nogbele North is the largest deposit at Wahgnion and is further subdivided into five areas (Central West, Central East, North West, North East and Nangolo). These areas were modelled and estimated individually but due to their close proximity they were combined into a final Nogbele North block model for open pit mining studies and the reporting of Mineral Resources. Summary deposit dimensions are presented in Table 10-5. A summary of the drilling conducted at each of the deposits, split into resource definition and grade control drilling, is presented in Table 10-4.

The base block models were completed in 2018 for Nogbele and Stinger, and 2017 for Samavogo and Fourkoura. The Nogbele and Fourkoura block models have been depleted for mining using December 2020 surveys. No mining has occurred at Stinger or Samavogo. Wireframe models were largely completed in-house. The Group also produced the Fourkoura and Samavogo block estimates. External consultants, RPA, completed the block model estimates for Nogbele and Stinger and also aided in the geological wireframing, database validation and density assessments.

Wireframe geological models were constructed using Leapfrog Geo software (version 4.2). The models comprise volumes representing weathering and oxidation horizons (laterite, saprolite, transition zone, and fresh), major lithologies, and mineralisation domains. Weathering and lithology wireframes were generated based on logged drill hole data; mineralisation was modelled using the Leapfrog vein modelling tool and was based on selections of gold assays above a nominal cut-off of 0.35g/tAu (with a minimum vein thickness of 2m). Mineralisation wireframes comprise thin sub-parallel, en echelon, and interconnected sheets. As the majority of drilling was RC, individual mineralised structures were generally based on visual interpretations of aligned samples above the threshold modelling grade. Structural studies carried out at Nogbele (and Nangolo) and Stinger by SRK in 2006, Rodinian Consulting Ltd. (Allibone, 2011 and 2012), and Jongens (2013) were also used to aid wireframing at these deposits.

Wireframe volumes (Figure 10-5) were used as hard boundaries for bulk density determinations and block model grade interpolation. Classical statistical analysis was carried out for raw gold assays within mineralisation domains to determine appropriate grade caps, which were established using a combination of histograms, probability plots, decile plots, and cutting curves. Capping was assessed individually or for domains grouped based on statistics and geometry; caps were applied to assays prior to compositing to limit the influence of high-grade outliers for all deposits. Gold assay results reported below the detection limit were assigned half the detection limit. Non-logged and unsampled intervals were assigned a grade of 0.0g/tAu prior to compositing. Run-length (2m) composites were generated inside mineralisation wireframes for use during grade interpolation.

Block modelling and grade interpolation was completed using Vulcan (Fourkoura, Samavogo, and Stinger) or Micromine (Nogbele) software. Non-rotated, regularized block models were set up based on the WGS 84 UTM Zone 30N coordinate system. Block sizes range from 2.5m by 2.5m by 2.5m to 5m by 5m by 2.5m and were selected to best represent the mineralised domain volumes and the SMU.

Variography was carried out using Supervisor software and was completed for Nogbele, Fourkoura, and Stinger. Block gold grades were estimated using the Ordinary Kriging (Nogbele) or Inverse Distance Cubed (Fourkoura, Samavogo, and Stinger) estimation methods. Search strategies were chosen based on variography, trend analysis results, drillhole spacing, and the understanding of the mineralisation. Search ellipsoids were oriented parallel to wireframe domains; in some cases, Dynamic Anisotropy was used to control the local orientation of the search (Nogbele). Blocks were estimated using a three-search-pass approach using increasingly larger search distances, either based on variograms or visual estimates of geological continuity. First pass search ellipsoid dimensions were generally set to be similar to the range of the first variogram structure or the average gridded drill spacing. Block estimates were mainly based on a minimum of 3 and maximum of 8 composites. A summary of the estimation parameters is presented in Table 10-6.

Average densities were assigned to block models based on weathering and lithological wireframes. At Nogbele and Samavogo, quartz-rich mineralisation domains were assigned a higher density compared with waste in saprolite, using a weighted average between saprock and oxide waste densities and an estimated average vein density (15% to 45%).

Block model validation was undertaken using volumetric comparison of block versus wireframes, comparison with alternate grade estimate methods (ID and/or nearest neighbour), swath plots, and various statistical and visual comparisons of block versus composite grades.

Table 10-5: Wahgnion Gold Mine: geological modelling methodology and deposit characteristics

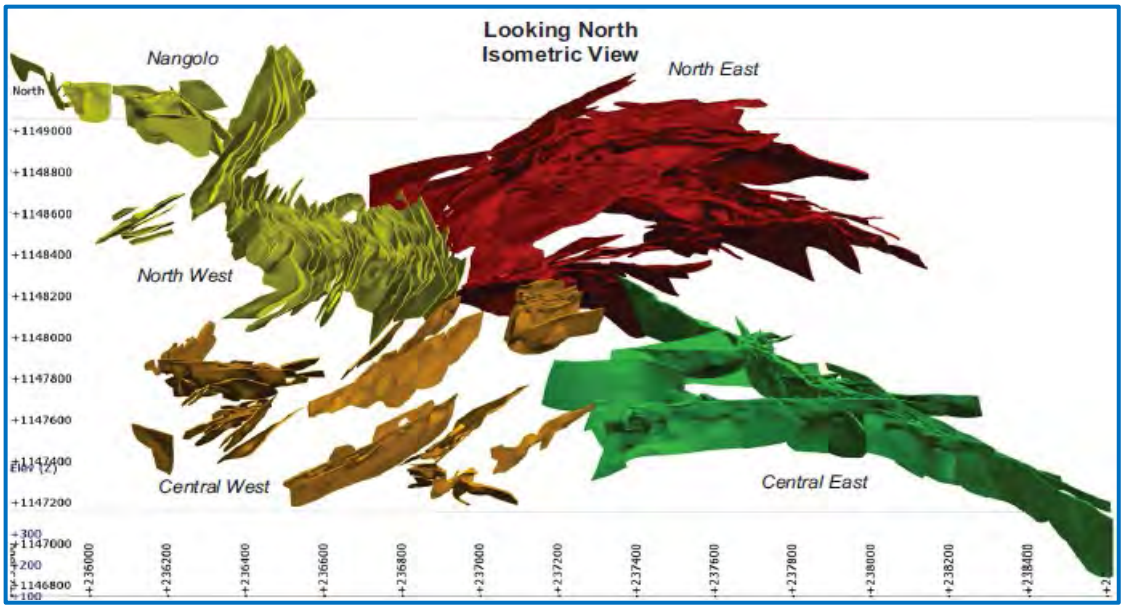
Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Nogbele/Nangolo	Leapfrog veins; min. 2m width, 0.35g/tAu threshold	2600mX by 4800mY; to 200m depth; open downdip variable directions	000°/-55°west, 040°/-60°northwest to -90°, 070°/-70°northwest, 090°/-60° to -80°north, 135°/-70°northeast, 275m dlen; 2m-15m width
Fourkoura	Leapfrog veins; min. 2m width, 0.35g/tAu threshold	550mX by 2050mY; to 150m depth; open downdip SE	000° to 030°/-30° to -40°southeast, 190m dlen; 2m-20m width
Samavogo	Leapfrog veins; min. 2m width, 0.35g/tAu threshold	3600mX by 2700mY; to 215m depth; open downdip SE	055°/-15° to -50°southeast, 360m dlen; 2m-15m width
Stinger	Leapfrog veins; min. 2m width, 0.35g/tAu threshold	1400mX by 1800mY; to 290m depth; open downdip	015° to 145°/-20° to -75° variable directions, 275m longest dlen; 2m-15m width

Table 10-6: Wahgnion Gold Mine: resource estimation parameters

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Nogbele /Nangolo	2m	2g/tAu - 48g/tAu	hard boundaries	2.5m by 2.5m by 2.5m; unrotated	OK, dynamic anisotropy; 3 passes; 1st pass: 6m-72m by 7m-50m by 2m-54m, max 3 samp/dh; min 3/max 8 samp/est; 2nd pass: 25m-	averaged densities; low grade laterite: 1.85-1.93; low grade saprolite: 1.69-1.76; low grade saprock: 2.51-2.20; low grade fresh: 2.71-2.76; high grade	visual inspection of block grades vs. composite grades on plan, vertical and long sections;

Deposit Group	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					511m by 16m-750m by 5m-10m, max 3 samp/dh, min 3/max 8 samp/est; 3rd pass: 25m-511m by 16m-750m by 5m-100m, max 3 samp/dh, min 1/max 4 samp/est	laterite: 2.03-2.20; high grade saprolite: 1.82-2.15; high grade saprock: 2.39-2.53; high grade fresh: 2.67-2.70; waste laterite: 1.85-1.93; waste saprolite: 1.67-1.69; waste saprock: 2.20-2.51; waste fresh: 2.67-2.73	statistical comparison of block grades with assay and composite grades; volumetric comparison of blocks vs. wireframes; swath plots of composite grades vs. ID3, ID2 and NN
Fourkoura	2m	5g/tAu - 20g/tAu	hard boundaries	2.5m by 2.5m by 2.5m; unrotated	ID3, passes; 1st pass: 25m-80m by 25m-80m by 10m-20m, max 2 samp/dh; min 3/max 8 samp/est; 2nd pass: 60m-160m by 60m-90m by 20m-40m, max 2 samp/dh, min 3/max 8 samp/est; 3rd pass: 180m-240m by 120m x 45m-60m, min 2/max 10 samp/est	averaged densities; laterite: 1.63; sap: 1.61; saprock: 2.63; fresh: 2.76	
Samavogo	2m	uncapped, 9g/tAu, 20g/tAu	hard boundaries	5.0m by 5.0m by 2.5m; unrotated	ID3; 3 passes; 1st pass: 30m-135m by 30m-60m by 10m, max 2 samp/dh; min 3/max 8 samp/est; 2nd pass: 60m-270m by 60m-120m by 20m, max 2 samp/dh, min 3/max 8 samp/est; 3rd pass: 90m-405m by 90m-180m by 30m, min 2/max 10 samp/est; Vulcan ellipsoid rotations: 25 to 90 bearing (z), 0 plunge (y), -8 to -45 dip (x)	averaged densities; min laterite and saprolite: 1.90; waste laterite and saprolite: 1.65; saprock: 2.50; fresh: 2.80	
Stinger	2m	15g/tAu, 35g/tAu	hard boundaries	2.5m by 2.5m by 2.5m; unrotated	ID3; 3 passes; 1st pass: 40m by 40m by 10m, max 2 samp/dh; min 3/max 8 samp/est; 2nd pass: 80m by 80m by 20m, max 2 samp/dh, min 3/max 8 samp/est; 3rd pass: 100m by 100m by 30m, min 2/max 8 samp/est; search ellipsoid orientations: major: 28°→094°, 08°→039°, -37°→024°; semi-major: 19°→195°, 49°→120°, 46°→062°; minor: -55°→135°, -40°→135°, -20°→130°	averaged densities; laterite: 1.89; sap: 1.62; saprock: 2.20; fresh mafic: 2.78, fresh granodiorite: 2.71	

Figure 10-5: Wahgnion Gold Mine: Nogbele North deposit vein system



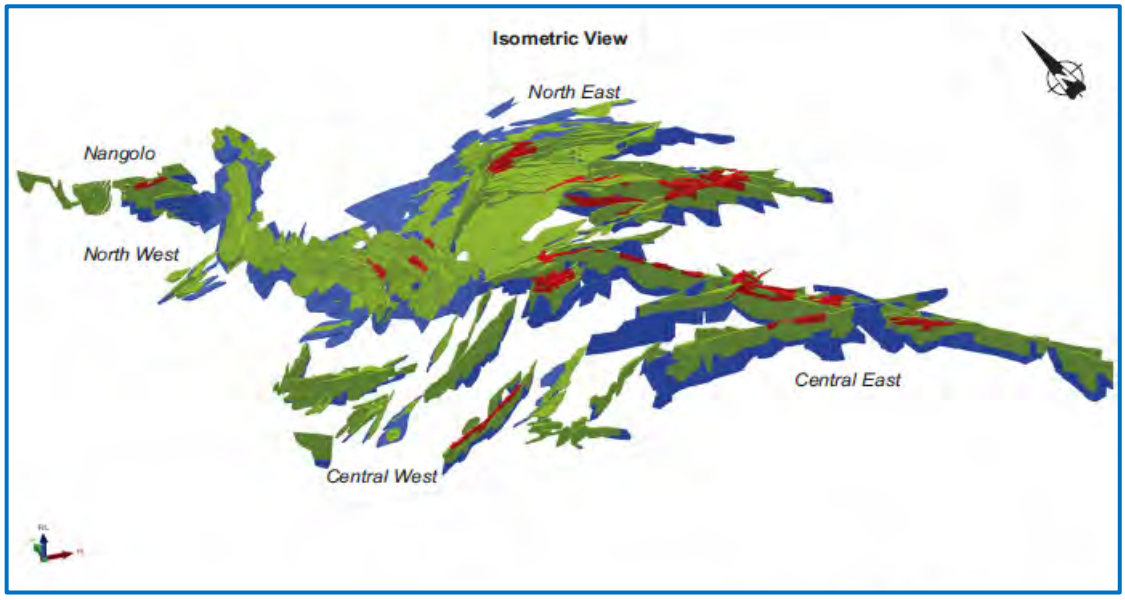
Classification

Mineral Resource classification was based on CIM guidelines. The basis for the classification is a distance-based scheme using the relative confidence expressed by the range of the variograms, distance to nearest sample, and apparent continuity of mineralisation. In addition, where required, qualitative criteria were used to define continuous volumes with an appropriate

level of classification

- **Measured Mineral Resources:** blocks interpolated within 7.5m to 12.5m of the closest drill hole that have a minimum of two drill holes, are estimated within the first pass, and demonstrate reasonable continuity above the cut-off grade were classified as Measured Mineral Resources;
- **Indicated Mineral Resources:** blocks interpolated within approximately 20m to 25m of the closest drill hole that have a minimum of two drill holes, are estimated within the first pass, and demonstrate reasonable continuity above the cut-off grade were classified as Indicated Mineral Resources; and
- **Inferred Mineral Resources:** blocks interpolated within approximately 50m of the closest drill hole corresponding to a drill hole spacing of approximately 100m were classified as Inferred Mineral Resources.

Figure 10-6: Wahgnion Gold Mine: Nogbele North deposit classification



Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures. Alternatively, it has also become industry recognised common practice to utilise '*mine stope optimisers*' or other underground optimisation techniques to constrain the reporting of underground Mineral Resources which

incorporates a number of key elements including: aggregation of block model units into stope dimensions (minimum sub-level/level/cut and strike lengths); incorporation of minimum mining widths; and exclusion stopes/mining which are distant from current and planned primary infrastructure.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Wahgnion Gold Mine reports its open pit Mineral Resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves save for adoption of a gold price of US$1,500/oz which is considered to be relatively conservative at a 15% uplift to the currently assumed long term gold price of US$1,300/oz utilised for reporting open pit Ore Reserves for Wahgnion Gold Mine. Reporting of open pit Mineral Resources are constrained within resulting optimisation shells derived using a gold price of US$1,500/oz and in situ cut-off grades which range in accordance with deposit location and weathering type from 0.35g/tAu to 0.41g/tAu for oxide and 0.49g/tAu to 0.60g/tAu for transitional and fresh rock.

10.3.5 Mineral Resource Statements

As at 31 December 2020 Wahgnion Gold Mine reports total Mineral Resources (Table 10-7) of 49.4Mt grading 1.51g/tAu containing 2.4MozAu and comprising:

- Measured Mineral Resources of 2.4Mt grading 1.23g/tAu and containing 97kozAu;
- Indicated Mineral Resources of 41.8Mt grading 1.53g/tAu and containing 2,055kozAu; and
- Inferred Mineral Resources of 5.1Mt grading 1.52g/tAu and containing 250kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 11.3Mt grading 1.17g/tAu; transitional material of 5.0Mt grading 1.34g/tAu and fresh material of 33.1Mt grading 1.66g/tAu. Mineral Resources reporting to stockpiles comprise a total of 0.9Mt grading 0.80g/tAu containing 24kozAu, all of which are classified as Measured Mineral Resources with the balance of Mineral Resources categorised as open pittable and reported within optimised shells as noted in Section 10.3.4.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shells and MSO shapes assuming a long-term gold price of US$1,500/oz and application of varying cut-off grades according to deposit location and weathering type. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 10.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 10-7: Wahgnion Gold Mine: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Nogbele/Nangolo o/p	801	1.22	31	419	1.22	16	248	1.24	10	134	1.17	5
Fourkoura o/p	564	1.69	31	172	1.32	7	209	1.81	12	182	1.91	11
Stinger o/p	155	2.16	11	131	2.17	9	23	2.08	2	1	2.14	0
Stockpile	918	0.80	24	-	-	-	-	-	-	918	0.80	24

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Subtotal	**2,438**	**1.23**	**97**	**722**	**1.42**	**33**	**481**	**1.53**	**24**	**1,235**	**1.01**	**40**
Indicated												
Nogbele/Nangolo o/p	22,802	1.35	993	5,923	1.05	200	2,300	1.25	93	14,579	1.49	701
Fourkoura o/p	3,497	1.52	171	283	1.26	11	495	1.27	20	2,718	1.59	139
Samavogo o/p	8,019	1.93	498	1,785	1.35	78	884	1.48	42	5,349	2.20	378
Stinger o/p	7,484	1.63	393	1,393	1.35	60	581	1.45	27	5,510	1.73	306
Subtotal	**41,802**	**1.53**	**2,055**	**9,385**	**1.16**	**349**	**4,261**	**1.33**	**182**	**28,156**	**1.68**	**1,524**
Measured + Indicated												
Nogbele/Nangolo o/p	23,603	1.35	1,025	6,342	1.06	217	2,548	1.25	102	14,713	1.49	706
Fourkoura o/p	4,061	1.54	202	456	1.28	19	705	1.43	32	2,900	1.61	150
Samavogo o/p	8,019	1.93	498	1,785	1.35	78	884	1.48	42	5,349	2.20	378
Stinger o/p	7,639	1.64	404	1,524	1.42	69	604	1.47	29	5,511	1.73	306
Stockpile	918	0.80	24	-	-	-	-	-	-	918	0.80	24
Subtotal	**44,240**	**1.51**	**2,152**	**10,107**	**1.18**	**382**	**4,742**	**1.35**	**206**	**29,391**	**1.65**	**1,564**
Inferred												
Nogbele/Nangolo o/p	2,673	1.28	110	621	0.97	19	181	1.10	6	1,870	1.40	84
Fourkoura o/p	167	1.63	9	45	1.13	2	21	1.93	1	101	1.80	6
Samavogo o/p	1,856	1.83	109	403	1.14	15	54	1.25	2	1,399	2.05	92
Stinger o/p	414	1.68	22	94	1.34	4	4	0.77	0	316	1.79	18
Subtotal	**5,110**	**1.52**	**250**	**1,163**	**1.07**	**40**	**260**	**1.20**	**10**	**3,686**	**1.69**	**200**
Mineral Resources												
Nogbele/Nangolo o/p	26,276	1.34	1,135	6,964	1.05	236	2,729	1.24	109	16,583	1.48	790
Fourkoura o/p	4,228	1.55	210	501	1.27	20	726	1.44	34	3,001	1.62	156
Samavogo o/p	9,875	1.91	607	2,188	1.31	92	938	1.47	44	6,748	2.17	470
Stinger o/p	8,053	1.65	426	1,618	1.41	74	608	1.47	29	5,827	1.73	324
Stockpile	918	0.80	24	-	-	-	-	-	-	918	0.80	24
Total	**49,350**	**1.51**	**2,402**	**11,270**	**1.17**	**422**	**5,002**	**1.34**	**216**	**33,078**	**1.66**	**1,764**

10.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 10-8 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are: an overall reduction of 210koz which compares with total mining depletion of 187kozAu. Mineral Resources were reported within an optimised shell assuming a gold prices ranging from US$1,450/oz (2017 and 2018) to US$1,500/oz from (2019 and 2020). For 2016, Mineral Resources were not constrained within an optimised shell and were simply reported assuming application of an in-situ cut-off grade to the entire block models.

Table 10-9 presents a total Mineral Resource comparison between historical reporting periods for Wahgnion Gold Mine from 2016 through 2020 inclusive. The analysis focuses primarily on a combined Measured and Indicated Mineral Resources and Inferred Mineral Resources separately. For the former and comparing a 2016 depletion adjusted 'estimate' of future Mineral Resource statements with the actual Mineral Resource statement reported for any given year indicates that the total Measured and Indicated Mineral Resource have reduced by some 12.5Mt at a grade of 0.80g/tAu. This is however a direct result of a change in methodology for reporting whereby Mineral Resources from 2017 onwards were reported within an optimised shell with prior resources reported at a simple cut-off grade applied to the individual block models. From 2018 onwards the estimates, save for depletion have been relatively stable with relatively minor changes and this perspective similarly applies to the Inferred Mineral Resources.

Table 10-8: Wahgnion Gold Mine: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Nogbele/Nangolo o/p	801	1.22	31	(1,068)	(0.16)	(51)	1,869	1.38	83
Fourkoura o/p	564	1.69	31	(28)	0.06	(0)	592	1.63	31
Samavogo o/p	-	-	-	-	-	-	-	-	-
Stinger o/p	155	2.16	11	(1)	0.01	(0)	156	2.15	11
Stockpile	918	0.80	24	268	(0.04)	6	651	0.85	18
Subtotal	**2,438**	**1.23**	**97**	**(830)**	**(0.12)**	**(46)**	**3,268**	**1.36**	**142**
Indicated									

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Nogbele/Nangolo o/p	22,802	1.35	993	(3,086)	(0.01)	(139)	25,889	1.36	1,132
Fourkoura o/p	3,497	1.52	171	(604)	0.09	(17)	4,101	1.42	188
Samavogo o/p	8,019	1.93	498	(37)	0.03	4	8,056	1.91	494
Stinger o/p	7,484	1.63	393	(819)	0.07	(25)	8,302	1.56	418
Stockpile	-	-	-	-	-	-	-	-	-
Subtotal	**41,802**	**1.53**	**2,055**	**(4,546)**	**0.03**	**(176)**	**46,348**	**1.50**	**2,231**
Measured + Indicated									
Nogbele/Nangolo o/p	23,603	1.35	1,025	(4,154)	(0.01)	(190)	27,758	1.36	1,215
Fourkoura o/p	4,061	1.54	202	(632)	0.09	(17)	4,693	1.45	219
Samavogo o/p	8,019	1.93	498	(37)	0.03	4	8,056	1.91	494
Stinger o/p	7,639	1.64	404	(819)	0.07	(25)	8,458	1.58	428
Stockpile	918	0.80	24	268	(0.04)	6	651	0.85	18
Subtotal	**44,240**	**1.51**	**2,152**	**(5,376)**	**0.02**	**(222)**	**49,616**	**1.49**	**2,374**
Inferred									
Nogbele/Nangolo o/p	2,673	1.28	110	(298)	0.02	(10)	2,971	1.26	120
Fourkoura o/p	167	1.63	9	(75)	0.10	(3)	242	1.53	12
Samavogo o/p	1,856	1.83	109	395	0.18	32	1,461	1.65	77
Stinger o/p	414	1.68	22	(154)	0.12	(6)	568	1.56	28
Stockpile	-	-	-	-	-	-	-	-	-
Subtotal	**5,110**	**1.52**	**250**	**(132)**	**0.11**	**12**	**5,242**	**1.41**	**238**
Mineral Resources									
Nogbele/Nangolo o/p	26,276	1.34	1,135	(4,453)	(0.01)	(200)	30,729	1.35	1,335
Fourkoura o/p	4,228	1.55	210	(707)	0.09	(21)	4,934	1.46	231
Samavogo o/p	9,875	1.91	607	357	0.05	36	9,518	1.87	571
Stinger o/p	8,053	1.65	426	(973)	0.07	(31)	9,026	1.57	457
Stockpile	918	0.80	24	268	(0.04)	6	651	0.85	18
Total	**49,350**	**1.51**	**2,402**	**(5,508)**	**0.03**	**(210)**	**54,858**	**1.48**	**2,612**

Table 10-9: Wahgnion Gold Mine: Mineral Resource historical comparisons

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	67,100	1.61	2,980	-	-	-
2017	35,330	1.61	1,830	-	-	-
2018	50,500	1.50	2,440	-	-	-
2019	54,858	1.48	2,612	1,417	1.48	67
2020	49,350	1.51	2,402	3,850	1.51	187
Period	**2016 - Less depletion**			**Cumulative Additions**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated						
2016	67,100	1.61	2,980	-	-	-
2017	67,100	1.61	2,980	(31,770)	1.13	(1,150)
2018	67,100	1.50	2,980	(16,600)	1.01	(540)
2019	65,683	1.48	2,913	(10,825)	0.86	(301)
2020	61,832	1.51	2,725	(12,483)	0.80	(323)
Period	**Reported**			**Variance to 2016**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Inferred						
2016	15,900	1.29	660	-	-	-
2017	15,820	1.40	710	(80)	0.10	50
2018	5,250	1.42	240	(10,650)	0.13	(420)
2019	5,242	1.41	238	(10,658)	0.12	(422)
2020	5,110	1.52	250	(10,790)	0.23	(410)

10.3.7 Reconciliation

Reconciliation analysis at the Wahgnion Gold Mine is not as advanced as noted elsewhere in the Group and to date the current Group standard is currently being implemented to present and analyse data measurements in accordance with that defined at the other Mineral Assets. Furthermore, SRK recognise that the reconciliation process is challenging given the number of operating pits and co-processing within a single process plant. For the past two calendar years the tonnage and grade reconciliation appears to be reasonable and total gold content based on comparison with GCM-Crusher feed and milled records indicate an overall positive factor of 1.02. Mining to date has been focused on Nogbele North and Nogbele South with assessments overall for both grade categories indicated positive reconciliation on tonnage and gold content.

At this stage it is difficult to draw any detailed conclusions and further work is required to better analyse and assess historical data and records in addition to implementing the Group Standard.

Table 10-10: Wahgnion Gold Mine: resource model to grade control to declared ore mined reconciliation

Period	Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
	Mined	958	1.72	53
2019	Milled	958	1.63	50
	Factor	1.00	0.95	0.95
2020	Mined	3,615	1.53	178

Period	Measure	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
	Milled	3,606	1.59	185
	Factor	1.00	1.04	1.04
	Mined	4,573	2.02	231
Total	Milled	4,564	1.94	235
	Factor	1.00	0.96	1.02

Table 10-11: Wahgnion Gold Mine: reconciliation analysis

Deposit	Block Model			Grade Control Model			Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Nogbele North									
>0.4	2,620	1.62	137	2,222	1.83	131	3,141	1.46	147
>1.0	1,342	2.55	110	1,144	2.93	108	1,678	2.21	119
Nogbele South									
>0.4	507	1.59	26	424	1.90	26	626	1.57	32
>1.0	345	2.01	22	256	2.69	22	417	2.05	27
Total									
>0.4	3,127	1.62	163	2,646	1.84	157	3,767	1.48	179
>1.0	1,687	2.44	132	1,400	2.89	130	2,095	2.18	147
Factors: North									
>0.4	1.00	1.00	1.00	0.85	1.13	0.96	1.20	0.90	1.07
>1.0	1.00	1.00	1.00	0.85	1.15	0.98	1.25	0.87	1.08
Factors: South									
>0.4	1.00	1.00	1.00	0.84	1.19	1.00	1.23	0.99	1.22
>1.0	1.00	1.00	1.00	0.74	1.34	1.00	1.21	1.02	1.23
Factors: Total									
>0.4	1.00	1.00	1.00	0.85	1.14	0.96	1.20	0.91	1.10
>1.0	1.00	1.00	1.00	0.83	1.19	0.98	1.24	0.89	1.11

10.3.8 Exploration Potential

Exploration Potential at Wahgnion Gold Mine is largely focused on targets identified within the Wahgnion Exploitation Licence and the surrounding exploration permits which extend over 89km^2 and 920km^2 respectively.

The 2021 exploration program, with US$12m budgeted, will focus on the Nogbele North and Nogbele South deposits, targeting the down dip continuation of mineralised structures between the Nogbele pits. Additionally, the north-northeast continuation of the Fourkoura deposit and the Hillside target will be tested for extensions. On the exploration permits, efforts will be focused on the newly discovered deposits, and on the Kafina West and Korindougou targets.

10.4 Mining and Ore Reserves

At Wahgnion Gold Mine, the applied mining approach is by conventional open-pit excavator-truck operation applied at all of the mining pit groupings: Nogbele (north and south); Fourkoura; Samavogo and Stinger. Gold mineralisation occurs in the laterite, saprolite, transition, and primary weathering horizons. Laterite and saprolite are assumed to be free digging material, whereas transition and primary material is mined via drill and blast cycles.

Loading, hauling and pit floor road and dump maintenance is carried out by owner mining personnel and equipment for the Nogbele pits. Contractor mining is currently being undertaken by SFTP in the Fourkoura satellite pit located 6km to the west. The split in the mining fleet is currently owner mining of 18Mtpa in the Nogbele open pits and contract mining of 8Mtpa at Fourkoura open pits. This will be reviewed in line with planned production increases per the LoMp as to which strategy is prioritised to cater for the increase.

Mining is by way of conventional open pit mining techniques using drill and blast as required with material movement by hydraulic excavators and trucks. The mine scale suits 90t class excavators in a backhoe configuration matched to 50t payload class mining haul trucks and 40t payload articulated haul trucks. An extensive RC drill program is conducted to supplement the production blast hole sampling as part of the grade control strategy.

WGO own and operate a significant portion of the mining fleet, which has been supplemented by contractor mining utilizing SFTP for the satellite deposits, commencing with Fourkoura. The mining fleet includes five Caterpillar 390F excavators, two Caterpillar 349D excavators, sixteen BAS Volvo 50 tonne trucks, twenty-one Volvo 45 tonne articulated dump trucks, three Sandvik

DP1100i production drill rigs, five Caterpillar D9R dozers, three Caterpillar 14M graders and ancillary fleet. Ore from the satellite pits is hauled to the RoM Pad using the Group's BAS Volvo trucks which are more suited to this application. Due to the nature of the mineralisation, there are multiple small pits which require careful planning and consideration for aspects such as sequencing (of pits), staging (of cutbacks), waste dump location and potential for backfilling of depleted pits.

Historical mining statistics reported since commencement of open-pit mining operations in 2019 indicate a total of 38.6Mt mined comprising 33.3Mt of waste and 5.3Mt of ore grading 1.48g/tAu reflecting an overall stripping ratio of 6.2t_{waste}:t_{ore}. Mining operations to date have been predominantly focused at the depleted Nangolo open pit and the Nogbele deposits with mining at Fourkoura underway since Q4 2020. The relocation and resettlement programme at Fourkoura is largely complete and will support achievement of mining targets in 2021.

The current LoMp assumes mining of a total of 265.7Mt of material at a rate which increases to 41Mt by 2023 and remains at this level until 2026, declining thereafter to 12Mtpa in the penultimate year of operations prior to depletion in 2029. Total Ore Reserves mined from the open pits amount to 25.6Mt grading 1.64g/tAu at an average stripping ratio of 9.4t_{waste}:t_{ore}.

10.4.1 Historical Performance

Analysis of historical production (Table 10-12) to date indicates that mining operations have increased since commissioning in 2019 and for 2020 reflected total material mined of 26.5Mtpa with ore mining contributing 3.8Mt grading 1.53g/tAu and a stripping ratio of 5.9t_{waste}:t_{ore}. During this period mining production has been sourced from the Nogbele open pits and the depleted Nangolo open pit. During this period high and medium grade ores represented 35% by tonnage and 66% by gold content of total material mined (Table 10-13). Operating expenditures for 2020 indicated an average of US$2.34/$t_{mined}$.

Performance in 2021 is directly related to requirements to reconfigure the mining operations with owner mining at Nogbele (18Mt) and contract mining at Fourkoura (8Mt). Finally, the accelerated mining programme will also require that sufficient grade control rigs are tasked to support both primary and advanced grade control drilling at all operations.

Table 10-12: Wahgnion Gold Mine: historical mining statistics for 2015 through 2020

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Mined	(kt)	38,609	-	-	-	-	12,151	26,458
Waste	(kt)	33,265	-	-	-	-	10,619	22,646
Ore	(kt)	5,345	-	-	-	-	1,532	3,813
	(g/tAu)	1.48	-	-	-	-	1.37	1.53
	(koz)	255	-	-	-	-	67	187
Stripping Ratio	(t_{waste}:t_{ore})	6.2	-	-	-	-	6.9	5.9
Opex								
Mining	(US$m)	90.37	-	-	-	-	26.4	64.7
	(US$/t)	2.34	-	-	-	-	2.17	2.42

Table 10-13: Wahgnion Gold Mine: historical mining statistics for 2019 and 2020

Statistics	Units	Total	2019	2020
Stripping Ratio	(t_{waste}:t_{ore})	6.2	6.9	5.9
Mined	**(kt)**	**38,609**	**12,151**	**26,458**
Waste	(kt)	33,265	10,619	22,646
Ore	**(kt)**	**5,344**	**1,532**	**3,813**
HG	(kt)	1,278	343	935
MG	(kt)	635	247	388
LG	(kt)	1,113	293	820
MRG	(kt)	2,318	649	1,669
Ore	**(g/tAu)**	**1.51**	**1.37**	**1.56**
HG	(g/tAu)	3.27	2.73	3.47
MG	(g/tAu)	1.69	1.69	1.69
LG	(g/tAu)	1.20	1.19	1.21
MRG	(g/tAu)	0.62	0.61	0.63

10.4.2 Mine Design, Planning and Scheduling

At the Wahgnion Gold Mine all block resource models are regularised to ensure a minimum SMU size of 2.5m (X), 2.5m (Y) and 2.5m (Z) dimensions for Nogbele and Fourkoura and 5.0m

(X), 5.0m (Y) and 5.0m (Z) for Samavogo and Stinger. Whilst no further losses and direct dilution adjustments are applied, a grade factor is applied on the regularised model: 0.96 for Nogbele North, Fourkoura and Samavogo open pits; 0.94 for Nogbele South and 0.99 for Stinger open pit (Table 10-14). These parameters should also be considered in the light of the reconciliation studies completed to date which indicate positive reconciliation on gold content accompanied with higher than planned dilution and lower mined grades.

The current Ore Reserves are reported assuming a mill feed cut-off grade determined based on a suite of deposit specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates within each deposit (Table 10-15).

The mining costs are initially determined assuming application of a range of mining related operating expenditures which are effectively incorporated into the specific block models with a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs assumed are based on the specific determinations per weathering type within each deposit.

The resulting unit operating costs as derived from the block models are as reflected in Table 10-16 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades assume a long-term gold price of US$1,300/oz a royalty determination of 5.00% and selling cost assumptions of US$3.00/oz. The resulting mill feed cut-off grade determinations are presented in Table 7-17 below and range from a low of 0.40g/tAu to a high of 0.69g/tAu.

Table 10-14: Wahgnion Gold Mine: assumed modifying factors

Deposit	Diluted Ore Loss			Grade Factor on Diluted			Metallurgical Recovery		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Nogbele North	-	-	-	0.96	0.96	0.96	94.34	94.27	94.20
Nogbele South	-	-	-	0.94	0.94	0.94	94.35	94.40	94.45
Fourkoura	-	-	-	0.96	0.96	0.96	95.70	93.50	91.00
Samavogo	-	-	-	0.96	0.96	0.96	95.70	95.00	92.00
Stinger	-	-	-	0.99	0.99	0.99	95.50	93.00	87.25

(1) Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 10-15: Wahgnion Gold Mine: assumed metallurgical recoveries

Deposit	Recovery			LoMp Recovery		
	Oxide (%)	Transition (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Nogbele North	94.34	94.27	94.20	94.49	94.30	94.17
Nogbele South	94.35	94.40	94.45	94.12	94.39	94.45
Fourkoura	95.70	93.50	91.00	97.33	93.49	90.66
Samavogo	95.70	95.00	92.00	94.52	95.01	92.33
Stinger	95.50	93.00	87.25	95.54	93.01	89.41

Table 10-16: Wahgnion Gold Mine: assumed operating cost inputs (cut-off-grade)

Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Nogbele North	2.08	10.00	11.89	13.79	4.70; 5.89; 7.08	14.70	16.59	20.87	16.78	18.67	22.94
Nogbele South	1.98	10.25	12.14	14.03	4.70; 5.89; 7.08	14.95	16.84	21.11	16.93	18.82	23.09
Fourkoura	2.44	10.65	12.54	14.43	4.70; 5.89; 7.08	15.35	17.24	21.51	17.79	19.68	23.95
Samavogo	2.08	12.95	14.32	15.70	4.70; 5.89; 7.08	17.65	19.02	22.78	19.72	21.10	24.85
Stinger	2.32	10.81	13.15	15.48	4.70; 5.89; 7.08	15.51	17.85	22.56	17.83	20.17	24.88

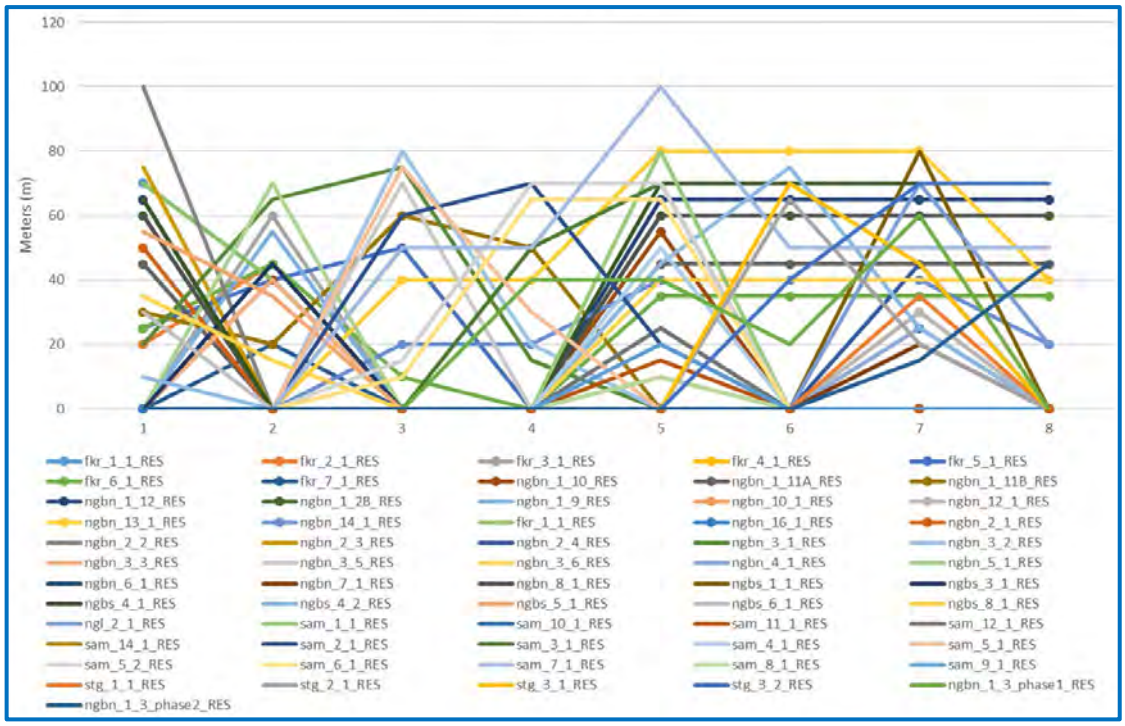
Table 10-17: Wahgnion Gold Mine: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
Nogbele North	0.40	0.49	0.57
Nogbele South	0.41	0.49	0.58
Fourkoura	0.41	0.51	0.61
Samavogo	0.47	0.55	0.64
Stinger	0.42	0.53	0.69

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at Wahgnion Gold Mine, open pit sink rates are

generally less than the recommended 80m to 100m range.

Figure 10-7: Wahgnion Gold Mine: open pit sink rate assessment



10.4.3 Hydrology and Dewatering

All geotechnical slopes assume depressurisation of saprolite material to ensure safe mining conditions. The extent of technical work completed to support the extent of dewatering and nature of active/passive dewatering is limited and further work is required to assess this specifically in advance of pit depth increasing where saprolite exposures are relatively thick.

10.4.4 Mining Geotechnics

Mining geotech assumptions for the open pits are largely based on design recommend dations provided by Xstract in 2017. The current pit designs honour these recommendations and all slopes which are defined within saprolite material assume depressurised slopes. Xstract recommend that additional geotechnical analysis is carried out to ascertain the validity of slope angles associated with deeper pits at Stinger and it is likely that structure will control slope design and performance within the fresh rock.

Table 10-18: Wahgnion Gold Mine: geotechnical and hydrogeological design considerations

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
Nogbele North\ South	Geotechnical design completed by Xstract in May 2017. The reserve pit designs generally honour the proposed geotechnical design criteria. All slopes designs within the saprolite assume depressurised slopes.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~35
				~ Sap IRA (°)	36.8
		~ Rock IRA (°)	54.3-57.9	~ Rock Thickness (m)	~100
				~ Rock IRA (°)	54
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	30-42
				~Maximum Elevation	345mRL
				~Minimum Elevation	215mRL
				~Max Depth (m)	130
Fourkoura	Geotechnical design completed by Xstract in May 2017. The reserve pit designs generally honour the proposed geotechnical design criteria. All slopes designs within the saprolite assume depressurised slopes.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~50
				~ Sap IRA (°)	36.8
		~ Rock IRA (°)	57.9	~ Rock Thickness (m)	~50
				~ Rock IRA (°)	~54
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	35-47

Pit	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
				~Maximum Elevation	360mRL
				~Minimum Elevation	240mRL
				~Max Depth (m)	120
Samavogo	Long strike length relatively low height pits. Geotechnical design completed by Xstract in May 2017. The reserve pit designs generally honour the proposed geotechnical design criteria. All slopes designs within the saprolite assume depressurised slopes.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~35
				~ Sap IRA (°)	36
		~ Rock IRA (°)	50.9-57.9	~ Rock Thickness (m)	~85
				~ Rock IRA (°)	51
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	25-45
				~Maximum Elevation	365mRL
				~Minimum Elevation	220mRL
				~Max Depth (m)	145
Stinger	Moderate size pit with nearly 200m of transition/fresh rock intersection on the final slopes of the reserve pit. Slope angles recommended by Xstract in 2017. Xstract recommend that additional geotechnical analysis is carried out to ascertain the validity of slope angles associated with deeper pits. It is likely that structure will control slope design and performance within the fresh rock.	~ Sap IRA (°)	36.8	~Sap Thickness (m)	~30
				~ Sap IRA (°)	37
		~ Rock IRA (°)	47.5-54.3	~ Rock Thickness (m)	~180
				~ Rock IRA (°)	47-54
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	No
				Drainholes	Unknown
	Open Pit Design Summary			~Overall Slope Angle (°)	25-37
				~Maximum Elevation	330mRL
				~Minimum Elevation	105mRL
				~Max Depth (m)	225

10.4.5 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Wahgnion Gold Mine (Table 10-19) includes 26.4Mt grading 1.61g/tAu and containing 1.4MozAu and comprising:

- Proved Ore Reserves of 2.2Mt grading 1.23g/tAu and containing 86kozAu; and
- Probable Ore Reserves of 24.3Mt grading 1.64g/tAu and containing 1,282kozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 8.6Mt grading 1.17g/tAu and combined transitional/fresh material of 17.8Mt grading 1.82g/tAu. Ore Reserves reporting to stockpiles comprise a total of 0.9Mt grading 0.80g/tAu containing 24kozAu, all of which are classified as Proved Ore Reserves with the balance of Ore Reserves categorised as 'open-pit' and reported within engineered designs as referenced herein.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 0.40g/tAu to 0.609/tAu.

Table 10-20 presents a summary of the Ore Reserves to gold price sensitivity which compares the current Ore Reserves with the results of raw pit optimisations (measured and indicated categories only) with increasing gold price. At the higher gold price of US$1,500/oz additional Measured and Indicated Mineral Resources reporting to an optimised shell is estimated at 2.6Mt grading 0.52g/tAu and containing 44kozAu representing almost one year of additional production. In summary it is clear that at higher gold prices, increased mining inventory potential is dependent on conversion/upgrading of material currently classified in the inferred category as reflected by the current Mineral Resource statement reported at a gold price of US$1,500/ozAu. Currently Inferred Mineral Resources report 5.1Mt grading 1.52g/tAu for a total contained metal of 0.3MozAu. Furthermore, the current pit design supporting the Ore

Reserves also includes a total of 0.5Mt grading 1.30g/tAu and containing 20kozAu which reports to the Inferred category but is for the purpose of the LoMp schedule included as waste material.

Table 10-19: Wahgnion Gold Mine: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Nogbele/Nangolo o/p	616	1.25	25	367	1.23	14	-	-	-	249	1.29	10
Fourkoura o/p	489	1.74	27	167	1.34	7	-	-	-	322	1.95	20
Stinger o/p	144	2.07	10	123	2.08	8	-	-	-	21	1.98	1
Stockpile	918	0.80	24	863	0.70	20	-	-	-	56	2.33	4
Subtotal	**2,168**	**1.23**	**86**	**1,519**	**1.01**	**49**	**-**	**-**	**-**	**648**	**1.73**	**36**
Probable												
Nogbele/Nangolo o/p	12,012	1.47	568	4,327	1.09	151	-	-	-	7,686	1.69	416
Fourkoura o/p	1,853	1.64	98	234	1.32	10	-	-	-	1,619	1.68	88
Samavogo o/p	5,577	1.96	352	1,527	1.39	68	-	-	-	4,050	2.18	284
Stinger o/p	4,814	1.71	264	1,032	1.41	47	-	-	-	3,783	1.79	217
Subtotal	**24,257**	**1.64**	**1,282**	**7,120**	**1.21**	**276**	**-**	**-**	**-**	**17,137**	**1.82**	**1,005**
Ore Reserves												
Nogbele/Nangolo o/p	12,628	1.46	592	4,694	1.10	166	-	-	-	7,935	1.67	427
Fourkoura o/p	2,342	1.66	125	401	1.33	17	-	-	-	1,941	1.73	108
Samavogo o/p	5,577	1.96	352	1,527	1.39	68	-	-	-	4,050	2.18	284
Stinger o/p	4,959	1.72	274	1,154	1.48	55	-	-	-	3,804	1.79	219
Stockpile	918	0.80	24	863	0.70	20	-	-	-	56	2.33	4
Total	**26,425**	**1.61**	**1,367**	**8,640**	**1.17**	**326**	**-**	**-**	**-**	**17,785**	**1.82**	**1,041**

Table 10-20: Wahgnion Gold Mine: mining Inventory gold price sensitivity analysis as at 31 December 2020[(1)]

Gold Price (US$/oz)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
1,300	26,425	1.61	1,367
1,400	27,595	1.56	1,387
1,500	29,063	1.51	1,411

(1) Note that the mining inventory reported at a gold price of US$1,300/oz reflects the current Ore Reserves as reported herein and that for the higher price assumptions these reflect the material reporting within raw optimisation shells which have not been subject to detailed engineering pit designs.

10.4.6 Historical Ore Reserve Statements

The following assessments presents a time-line analysis of historical Ore Reserves as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements (prior to 2019) have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 10-21 presents a comparison of the Ore Reserves reported as at 31 December 2020 with that reported for the prior period ending 31 December 2019. The key observations noted are: an overall reduction of 181koz which compares with total mining depletion of 187kozAu. Ore Reserves were reported within designed shells assuming gold prices ranging from US$1,200/oz to US$1,300/oz with the statements for 2020 reported assuming US$1,300/oz.

Table 10-22 presents a total Ore Reserve comparison between historical reporting periods for Wahgnion Gold Mine from 2016 through 2020 inclusive. Comparing a 2016 depletion adjusted 'estimate' of future Ore Reserve statements with the actual Ore Reserve statements reported for any given year indicates that the Ore Reserves have incorporated additions of 14.4Mt grading 1.71g/tAu for a total of 0.8Moz despite depletion of 18.0Mt grading 1.51g/tAu for a total of 0.9Moz. Furthermore, SRK recognises that changed assumptions do not necessarily facilitate direct comparisons, however, the results indicate the success of the general exploration programmes completed at Wahgnion Gold Mine over the reporting period considered.

Table 10-21: Wahgnion Gold Mine: Ore Reserves prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved									
Nogbele/Nangolo o/p	616	1.25	25	(994)	(0.16)	(48)	1,610	1.41	73
Fourkoura o/p	489	1.74	27	3	0.03	1	486	1.71	27
Stinger o/p	144	2.07	10	(2)	0.01	(0)	146	2.06	10
Stockpile	918	0.80	24	268	(0.04)	6	651	0.85	18
Subtotal	**2,168**	**1.23**	**86**	**(725)**	**(0.14)**	**(42)**	**2,893**	**1.37**	**127**

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Probable									
Nogbele/Nangolo o/p	12,012	1.47	568	(2,205)	0.00	(104)	14,217	1.47	672
Fourkoura o/p	1,853	1.64	98	(559)	0.07	(24)	2,412	1.57	122
Samavogo o/p	5,577	1.96	352	384	(0.01)	23	5,193	1.98	330
Stinger o/p	4,814	1.71	264	(790)	0.05	(34)	5,604	1.65	298
Subtotal	**24,257**	**1.64**	**1,282**	**(3,169)**	**0.03**	**(139)**	**27,426**	**1.61**	**1,421**
Ore Reserves									
Nogbele/Nangolo o/p	12,628	1.46	592	(3,199)	(0.00)	(152)	15,827	1.46	745
Fourkoura o/p	2,342	1.66	125	(556)	0.06	(24)	2,898	1.60	149
Samavogo o/p	5,577	1.96	352	384	(0.01)	23	5,193	1.98	330
Stinger o/p	4,959	1.72	274	(792)	0.05	(34)	5,750	1.66	308
Stockpile	918	0.80	24	268	(0.04)	6	651	0.85	18
Total	**26,425**	**1.61**	**1,367**	**(3,894)**	**0.02**	**(181)**	**30,319**	**1.59**	**1,548**

Table 10-22: Wahgnion Gold Mine: Ore Reserves prior periods comparison

Period	Reported			Production- Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	17,400	1.48	830	-	-	-
2017	21,420	1.69	1,165	-	-	-
2018	31,070	1.61	1,610	-	-	-
2019	30,319	1.59	1,548	1,532	1.37	67
2020	26,425	1.61	1,367	3,813	1.53	187
Period	**2016 - Less depletion**			**2016 Depleted Variance**		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Ore Reserves						
2016	17,400	1.48	830	-	-	-
2017	17,400	1.48	830	4,020	0.21	335
2018	17,400	1.48	830	13,670	0.13	780
2019	15,868	1.49	763	14,451	0.09	786
2020	12,055	1.48	575	14,369	0.13	792

10.4.7 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from 1 January 2021 through calendar 2029 with total material mined of 265.7Mt and comprising open pit ore of 25.5Mt grading 1.64g/tAu at an average stripping ratio of 9.4t_{waste}:t_{ore} (Table 10-23; Table 10-24). Oxide material contributes some 39.2% of total material mined with transitional and fresh material collectively contributing 60.8% respectively. Mining production in 2021 and 2022 is projected from three pit groupings and largely remaining at this level until 2028 prior to depletion of the Ore Reserves in 2029.

Total mined material is planned to increase from 29Mt in 2021 to 41Mt by 2023 and continue at this rate to 2026 prior to declining to 34Mt in 2027 and 12Mt in 2028 in the penultimate year of mining prior to depletion. Ore tonnage mined generally remains range bound between 2.0Mt and 4.0Mt. From 2022 onwards the proportion of oxide material mined reduces from 60% in 2021, remaining in the 25% to 45% range up until 2027 and thereafter converting fully to fresh material mined in 2028 and 2029. RoM grades remain generally range bound between 1.3g/tAu and 2.0g/tAu and generally varying in response to contributions from specific deposits and weathering type.

Individual weathering ore types within each deposit are ascribed different cut off grades (Table 10-26), however the mining schedule is largely driven by grade categories: high grade ("**HG**") for all ore greater than 2.0g/tAu; medium grade ("**MG**") for all ore greater than 1.5g/tAu; low grade ("**LG**") for all ore greater than 1.0g/tAu; and marginal ores ("**MO**") for all ore greater than 0.50g/tAu.

Accordingly, the stockpiling strategy assumes the development of four grade categories which are managed at both satellite RoM and Wahgnion CIL Plant RoM pads. Table 10-26 presents a summary by deposit of the ore grade categories which indicate that HG and MG together contribute 37% of the tonnage and 66% of the contained gold mined with, LG contributing 22% of the tonnage and 17% of the contained gold mine; and the marginal grade ore representing 40% of the tonnage and 18% of the contained gold mined. Stockpile management over the LoMp indicates that total stockpile volumes remain at less than 1.6Mtpa with the low-grade ore

stockpiles contributing the majority of this by measure of both tonnage and gold content.

Mining operating expenditures per deposit are reported in Table 10-27 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$2.43/$t_{mined}$ with expenditures generally increasing over the mine life reflecting the varying haul distances.

Table 10-23: Wahgnion Gold Mine: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
Nogbele North	97,763	10,045	87,717	8.7	34.8	-	65.2
Nogbele South	21,647	2,583	19,064	7.4	67.2	-	32.8
Fourkoura	17,973	2,342	15,631	6.7	32.2	-	67.8
Samavogo	71,976	5,577	66,399	11.9	42.1	-	57.9
Stinger	56,345	4,959	51,386	10.4	34.5	-	65.5
Total	**265,704**	**25,506**	**240,198**	**9.4**	**39.2**	**-**	**60.8**

Table 10-24: Wahgnion Gold Mine: open pit deposits ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Nogbele North	10,045	1.47	474
Nogbele South	2,583	1.42	118
Fourkoura	2,342	1.66	125
Samavogo	5,577	1.96	352
Stinger	4,959	1.72	274
Total	**25,506**	**1.64**	**1,343**

Table 10-25: Wahgnion Gold Mine: open pit mining start and depletion periods

Deposit	Start	End
Nogbele North	2019	2028
Nogbele South	2020	2027
Fourkoura	2020	2023
Samavogo	2023	2025
Stinger	2026	2029
Total	**2021**	**2029**

Table 10-26: Wahgnion Gold Mine: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Nogbele South	2,053	3.36	222	1,085	1.72	60	2,167	1.22	85	4,741	0.71	108
Fourkoura	463	3.19	47	367	1.72	20	615	1.23	24	1,139	0.70	26
Samavogo	524	3.76	63	316	1.72	17	536	1.23	21	966	0.74	23
Stinger	1,933	3.52	219	851	1.74	48	1,178	1.23	47	1,615	0.76	39
Stockpile	1,291	3.53	147	650	1.73	36	1,151	1.22	45	1,866	0.76	46
Total	**6,264**	**3.46**	**698**	**3,268**	**1.73**	**182**	**5,647**	**1.22**	**222**	**10,327**	**0.73**	**242**

Table 10-27: Wahgnion Gold Mine: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Nogbele North	97,763	2.45	240.0
Nogbele South	21,647	1.92	41.5
Fourkoura	17,973	2.48	44.6
Samavogo	71,976	2.25	161.6
Stinger	56,345	2.79	157.1
Total	**265,704**	**2.43**	**644.7**

10.5 Mineral Processing

Operating processing facilities comprises the Wahgnion CIL Plant which commenced construction in 2018, achieving first gold pour in August of 2019 and commercial production declared on 1 November 2019.

The Wahgnion CIL Plant is located adjacent to the Nogbele open pit this being the mainstay of LoMp production, with the other three deposits Fourkoura, Stinger and Samavogo located 6km, 15km and 25km distant.

The process plant design is based on a conventional CIL gold process flowsheet consisting of primary crushing, SAG and ball milling, with a pebble crusher, CIL gold extraction, elution, electrowinning, and gold smelting to produce doré on site. Throughput was designed to range between 2.0Mtpa and 2.7Mtpa assuming 100% fresh ore and oxide ore feed respectively. To date, throughput rates achieved in 2020 at 3.6Mtpa was substantially higher than nameplate capacity. The Group is investigating expansions up to 4.0Mtpa, however the current LoMp

assumes throughput in the range of 3.0Mtpa to 3.4Mtpa with the total oxide material representing approximately 33% of total feed with depletion of the Ore Reserves planned in 2029.

10.5.1 Process Plant Feed

Process plant feed includes four main ore types: oxide (33% tonnage; 24% gold); transition (12% tonnage; 11% gold); primary mafic (34% tonnage; 42% gold) and primary granitoid (21% tonnage; 23% gold). Contribution from the four main deposits over the LoMp comprise: Nogbele (51% tonnage; 45% gold); Fourkoura (9% tonnage; 9% gold); Samavogo (21%; 26% gold); and Stinger (19% tonnage; 20% gold).

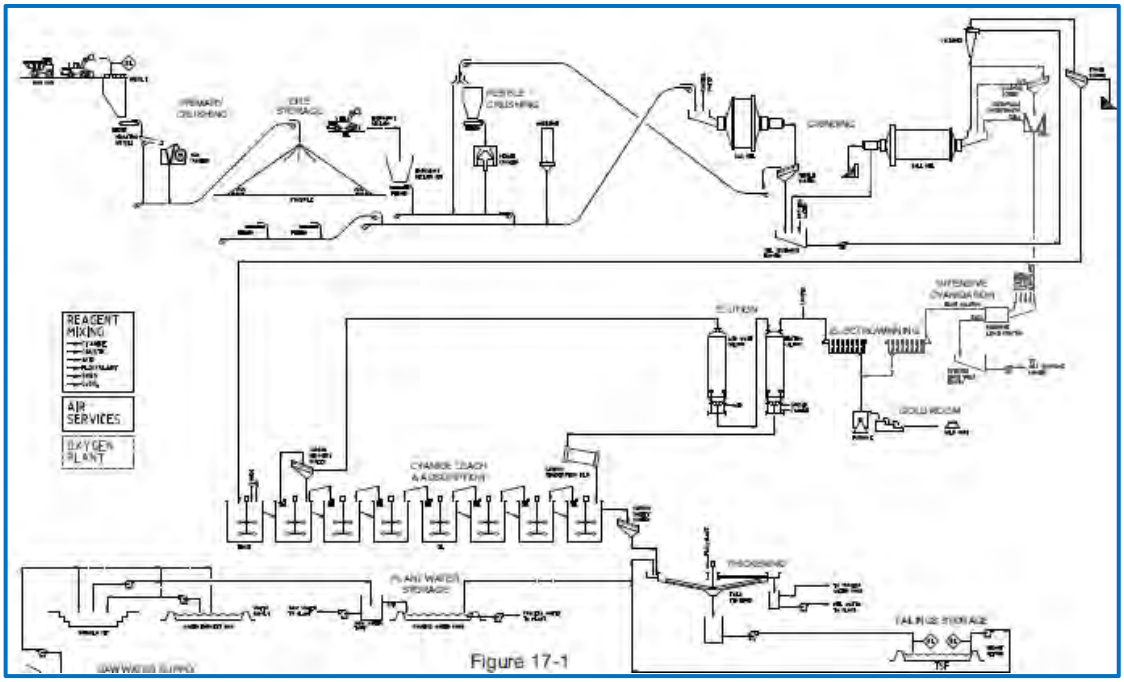
Assumed metallurgical recoveries are 94.9% for oxide, 94.2% for transitional and 92.2% for the fresh ores which is largely aligned with the historical design assumptions.

10.5.2 Flowsheet

The process plant design incorporates the following unit process operations:

- Single stage primary crushing with a single toggle jaw crusher to produce a crushed product size of P80 ranging from 100mm to 140mm, based on differing weathering types;
- A crushed ore stockpile with a live nominal capacity of 2,000t;
- SAG and ball milling in closed circuit with a pebble crusher and hydrocyclones to produce a P80 grind size of 106µm;
- Leach and CIL circuit incorporating eight stages (tanks), with one stage of leaching without carbon and seven stages with carbon for gold adsorption;
- Split Anglo-American Research Laboratory ("**SAARL**") elution circuit, electrowinning, and gold smelting to recover gold from the loaded carbon to produce doré;
- Carbon reactivation utilizing a rotary kiln;
- Tailings thickening to recover and recycle process water and precious metal values from the CIL tailings; and
- Tailings pumping to the TSF.

Figure 10-8: Wahgnion CIL Plant: simplified flowsheet



10.5.3 Historical Performance

Analysis of historical performance to date indicates that both treated ore and gold production has increased significantly since commencement of operations in 2019. Performance for calendar 2020 reports a total of 3.6Mt milled grading 1.59g/tAu with metallurgical recovery of 94.9% to produce 175kozAu. Process plant availability is reported at 98.7% with utilisation of 99.4% and hourly throughput of 524t. Operating expenditures for 2020 indicated a total of US$9.95/$t_{milled}$.

As at 31 December 2020 the reported gold-in-circuit and finished goods are reported at 7kozAu and 11kozAu respectively reflecting a total of 37 days of current production.

Table 10-28: Wahgnion CIL Plant: historical operating statistics

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Production								
Ore	(kt)	4,564	-	-	-	-	958	3,606
	(g/tAu)	1.60	-	-	-	-	1.63	1.59
	(kozAu)	235	-	-	-	-	50	185
Recovery	(%)	94.8	-	-	-	-	94.6	94.9
Recovered	(kozAu)	223	-	-	-	-	47	175
Produced	(kozAu)	223	-	-	-	-	47	175
Sold	(kozAu)	216	-	-	-	-	34	181
Gold in Circuit	(kozAu)	13	-	-	-	-	5	7
Finished Goods	(kozAu)	22	-	-	-	-	11	11
Efficiency								
Availability	(%)	-	-	-	-	-	97.0	98.7
Utilisation	(%)	-	-	-	-	-	99.0	99.4
Throughput	(%)	-	-	-	-	-	485	524
Opex								
Processing	(US$m)	46.1	-	-	-	-	10.2	35.9
	(US$/t)	10.10	-	-	-	-	10.66	9.95

10.5.4 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput of less than 3.4Mtpa and ranging down to 3.2Mtpa from 2023 onwards and reducing to 584kt in 2029 on depletion of the current Ore Reserves. Total ore processed (Table 10-29) is reported at 26.4Mt grading 1.61g/tAu with weathering type (Table 10-30; Table 10-31) contribution by tonnage reported at 32.7%, 11.6% and 55.7% for oxide, transitional and fresh ores. The weighted average metallurgical recovery projected over the LoMp is estimated at 82.7% (Table 10-32) with recoveries for oxide, transitional and fresh ores reporting 94.2%, 92.3% and 93.1% respectively.

The proportion of fresh ore processed increases from 50% in 2021 through to and remaining range bound between 60% and 80% through to 2028 prior to depletion of the Ore Reserves in 2029. Over the LoMp period metallurgical recoveries are assumed to continue to range between 90% and 94% with the lower recoveries reflecting processing of the fresh ores.

Operating expenditures are derived based on assumptions which vary by deposit and in certain instances by weathering type as reported in Table 10-33. The weighted average LoMp processing costs is forecasted at US$12.04/$t_{milled}$ and generally remains range bound between US$11.50/$t_{milled}$ and US$13.00/$t_{milled}$ through to 2029. The forecast unit costs assumed are higher than that reported for 2020, however this largely reflects the increased amount of fresh ore processed.

Table 10-29: Wahgnion CIL Plant: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Nogbele North	10,045	1.47	474	850	0.79	22	10,895	1.42	496
Nogbele South	2,583	1.42	118	69	0.96	2	2,652	1.41	120
Fourkoura	2,342	1.66	125	-	-	-	2,342	1.66	125
Samavogo	5,577	1.96	352	-	-	-	5,577	1.96	352
Stinger	4,959	1.72	274	-	-	-	4,959	1.72	274
Total	**25,506**	**1.64**	**1,343**	**918**	**0.80**	**24**	**26,425**	**1.61**	**1,367**

Table 10-30: Wahgnion CIL Plant: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Nogbele North	10,889	1.42	496	3,956	0.98	125	1,233	1.31	52	5,700	1.74	319
Nogbele South	2,658	1.41	120	1,601	1.17	60	345	1.46	16	712	1.92	44
Fourkoura	2,342	1.66	125	401	1.33	17	538	1.52	26	1,403	1.81	82
Samavogo	5,577	1.96	352	1,527	1.39	68	653	1.58	33	3,397	2.30	251
Stinger	4,959	1.72	274	1,154	1.48	55	308	1.64	16	3,496	1.80	202
Total	**26,425**	**1.61**	**1,367**	**8,640**	**1.17**	**326**	**3,077**	**1.45**	**144**	**14,708**	**1.90**	**898**

Table 10-31: Wahgnion CIL Plant: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
Nogbele North	3,956	1,233	5,700	10,889	36.3	11.3	52.3
Nogbele South	1,601	345	712	2,658	60.2	13.0	26.8
Fourkoura	401	538	1,403	2,342	17.1	23.0	59.9
Samavogo	1,527	653	3,397	5,577	27.4	11.7	60.9
Stinger	1,154	308	3,496	4,959	23.3	6.2	70.5
Total	**8,640**	**3,077**	**14,708**	**26,425**	**32.7**	**11.6**	**55.7**

Table 10-32: Wahgnion CIL Plant: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
Nogbele North	118	49	300	467	94.5	94.3	94.2	94.3
Nogbele South	57	15	41	113	94.1	94.4	94.5	94.3
Fourkoura	17	25	74	115	97.3	93.5	90.7	92.2
Samavogo	65	31	232	328	94.5	95.0	92.3	93.0
Stinger	53	15	181	249	95.5	93.0	89.4	90.9
Total	**309**	**135**	**828**	**1,272**	**94.8**	**94.2**	**92.3**	**93.1**

Table 10-33: Wahgnion CIL Plant: operating expenditures

Deposit	Processed (kt)	Opex (US$/t)	(US$m)
Nogbele North	10,895	12.01	130.9
Nogbele South	2,652	11.11	29.5
Fourkoura	2,342	12.62	29.6
Samavogo	5,577	12.10	67.5
Stinger	4,959	12.23	60.7
Total	**26,425**	**12.04**	**318.0**

10.6 Waste Management

Waste management at Wahgnion Gold Mine is primarily focused on the TSF and the various existing and planned WRDs which service the Wahgnion CIL Plant and open-pit mining operations respectively. Whilst the TSF is HDPE and clay lined, the current waste management facilities both with respect to operational, closure and post-closure considerations assume that ARDML potential is limited.

Technical studies conducted for the 2019 PFS, indicated that the oxide tailings recorded a very low sulphur content based on the tailings geochemical testing. The maximum potential acidity ("**MPA**") determined from the sulphide content was also very low. The results of the net acid generation ("**NAG**") test indicate that under extreme oxidizing conditions, neither samples produced any measurable acid. Both samples recorded negative NAPPs and neutral pH values in the NAG test. As such, the samples were classified as Non-Acid Forming ("**NAF**"). On the basis of these results, there is no perceived risk of acid generation in the TSF. Regarding the metal leaching potential, on the basis of the multi-element results, the TSF required a basic cover system to isolate the tailings from the environment on closure, but the current design reflects all the recommendations from Knight Piésold.

Accordingly, SRK notes that whilst sufficient operating physical capacity exists to deposit and store waste arisings from the Wahgnion CIL Plant and the mining operations, post closure management has not yet been sufficiently advanced to rule out any further changes which may be required to address these items.

10.6.1 Tailings Storage Facility

The TSF is owned and operated by Wahgnion Gold Mine and was commissioned in August 2019 and is located 700m to the east of the Wahgnion CIL Plant. The facility comprises a two-cell paddock storage surrounded by downstream constructed, earth fill embankments. The consequence category of the Wahgnion TSF is 'High B' (based on ANCOLD guidelines). Cell 1 is currently developed and in operation, whilst cell 2 is under construction and due for completion in early 2023.

The development strategy comprises; initial development of Cell 1 to an approximate elevation of 371.5mRL subsequent development of Cell 2 directly adjacent to Cell 1, to the same elevation and with a common embankment between them (the 'Divider Embankment'); then progressive raising of both cells to a final maximum embankment elevation of 383.8mRL. All perimeter embankment raising is undertaken in a downstream direction using site-derived mine waste and/or local borrow materials. The divider embankment design comprises a vertical centre line raise.

Cell 1 and Cell 2 design includes; zoned perimeter embankments constructed from local borrow soils and mine waste; composite basal and side slope lining system including a primary HDPE liner, a drainage system above the liner; a leakage collection and recovery system below the liner (with captured seepage returned to the impoundment pond from a sump); supernatant pond control via a centrally located 'rock ring' with pumped return water to the processing site; and emergency spillway comprising a lined HDPE channel on the downstream dam slope face.

The final embankment crest height (Stage 8) will be RL 379.7m with an overall slope (including benches) of approximately 3.5H:1V.

Tailings arisings are discharged into the facility by sub-aerial deposition methods from the embankments using banks of spigots at regular intervals. The active tailings beach is regularly rotated around the facility so as to maximize tailings density and control the supernatant pond.

Supernatant water is removed from the TSF via submersible pumps located within a decant rock ring. Solution recovered from the decant system is pumped back to the Wahgnion CIL Plant for re-use in the process circuit.

The TSF design incorporates an underdrainage system to reduce pressure head acting on the HDPE geomembrane liner, reduce seepage, increase tailings densities, and improve the geotechnical stability of the embankments. A LCRS has been installed beneath the basin HDPE and compacted soil liners. Solution recovered from the underdrainage system and LCRS is released to the top of the tailings mass via submersible pump, reporting to the supernatant pond for removal by the decant system.

A review of the as-built Cell 1 design and an inspection of the TSF Cell 1 Stage 1 in operation were undertaken in 2019 by L&M. Their findings were detailed in report dated June 2019 and a memo dated 25 December 2019 . A summary of findings follows:

- With exception of some minor variations (including limited use of marginal materials in parts of the dam earthworks), the TSF was constructed in accordance with the design drawings and the intent of the design;
- Post Stage 1 construction, ground conditions outside the dam footprints were noted to be soft, with some surface water ponding. This is an important consideration for future raising where unsuitable foundation materials should be removed;
- In December 2019 the operational Cell 1 TSF perimeter dams were in good structural condition with only minor surface water runoff related erosion. However, the size/extent of the supernatant pond was significant, covering the majority of the impoundment surface area

with only small beaches developed. Available satellite images indicate that this is a common wet season pond condition;

- The decant was fully operational and there were no concerns with regards available freeboard. However, the water balance was positive (potentially accumulating water volumes within the impoundment) and the volume of stored water was limiting tailings in-place density which would in-turn impact upon storage capacity and construction raise scheduling; and
- Recommendations were made for improving water management including: preparing a detailed water balance; investigating how excess water could be utilised to minimise volumes stored on the TSF (and prevent an accumulating water inventory); provide additional pumping capacity as a temporary measure to reduce stored water volume. It is noted that a full water management review and implementation program has been initiated by the Group.

It is noted that at the end of the dry season in 2021, the supernatant pond was minimal. Currently the Wahgnion Gold Mine TSF water recovery and seepage pumping system is fully functional, with no indication of water accumulation under the TSF. Routine sampling is undertaken on all piezometers for a variety of compounds and elements, and while there has been the occasion reading above compliance level this has not been consistent upon re-sampling.

To date a total of 4.6Mt (Table 10-34) of material has been deposited onto the TSF and the current LoMp requires deposition of a further 26.4Mt from 1 January 2021 onwards which provides for a total deposition requirement of 30.9Mt. This is less than the current planned design capacity of Cell 1 and Cell 2 which is estimated at 35.0Mt on the assumption that both Stage 9 and Stage 10 are constructed. The total capacity estimated to completion of Stage 8 is estimated at 29.2Mt which is marginally less than the deposition requirement. The capital expenditure required for completion of Stage 3 through Stage 8 is estimated at US$73.0m which provides for a unit capacity rate of US$2.50/t placed.

Table 10-34: Wahgnion CIL Plant deposition

Statistics	Units	Total	2015	2016	2017	2018	2019	2020
Arisings	(kt)	4,564	-	-	-	-	958	3,606
	(g/tAu)	0.08	-	-	-	-	0.09	0.08
	(kozAu)	12	-	-	-	-	3	9
TSF Placed	(kt)	5,522	-	-	-	-	958	4,564
	(g/tAu)	0.08	-	-	-	-	0.09	0.08
	(kozAu)	15	-	-	-	-	3	12

10.6.2 Waste Rock Dumps

The total waste rock to be mined over the LoMp from the open pits is estimated at 239.3Mt comprising 95.2Mt of oxidised material and 144.1Mt of fresh (unweathered material). The mined material is planned to be stored in 17 dedicated waste rock dump facilities with the balanced stored in two in-pit backfilling programmes at the Nogbele and Samavogo open pits. Total waste material mine date is estimated at 33.3Mt a portion of which was used in initial construction activities for the TSF. It is also assumed that a portion of the mine waste will be used for construction of a portion of TSF embankment and is estimated 11.6Mm^3 (Table 10-35). All waste in the production schedule was assumed to be non-acid generating and non-metal leaching and annual ARDML testing is being conducted on the WRD material.

Table 10-35: Wahgnion Gold Mine: LoMp Waste Rock Dump deposition

PIT Group	WRD	Original ('000m^3)	Placed ('000m^3)	Remaining ('000m^3)	Mined (kt)	BCM ('000m^3)	LCM ('000m^3)
Nogbele	WRD1	855	855	-	-	-	-
	WRD2	2,373	2,373	-	-	-	-
	WRD3	3,145	-	3,145	5,299	2,419	3,145
	WRD4	13,031	6,570	6,461	10,887	4,970	6,461

PIT Group	WRD	Original ('000m³)	Placed ('000m³)	Remaining ('000m³)	Mined (kt)	BCM ('000m³)	LCM ('000m³)
	WRD5	514	-	514	866	395	514
	WRD6	4,586	2,293	2,293	3,864	1,764	2,293
	WRD7	4,581	-	4,581	7,720	3,524	4,581
	WRD8	4,573	-	4,573	7,707	3,518	4,573
	WRD9	305	-	305	515	235	305
	WRD10	2,467	2,467	-	-	-	-
	WRD11	856	856	-	-	-	-
	TSF	11,558	-	11,558	2,381	5,087	6,613
	PBF	32,365	-	32,365	66,557	26,382	34,297
Fourkoura	WRD1	5,439	-	5,439	9,048	4,184	5,439
	WRD2	2,317	-	2,317	1,477	554	720
	WRD3	4,689	-	4,689	4,749	2,255	2,931
	WRD4	183	-	183	375	141	183
Samavogo	WRD1	21,750	-	21,750	35,531	16,731	21,750
	WRD2	15,257	-	15,257	24,312	11,736	15,257
	PBF	4,030	-	4,030	6,529	2,829	3,678
Stinger	WRD1	31,568	-	31,568	51,379	23,551	30,617
Total		**166,442**	**15,413**	**151,028**	**239,196**	**110,275**	**143,358**
Summary	WRD	118,489	15,413	103,076	163,729	75,977	98,770
	PBF	36,395	-	36,395	73,086	29,211	37,975
	TSF	11,558	-	11,558	2,381	5,087	6,613
Total		**166,442**	**15,413**	**151,028**	**239,196**	**110,275**	**143,358**

10.7 Infrastructure

The overall site development includes the mine site and associated infrastructure including the Wahgnion CIL Plant, tailings storage facility, accommodation camp, roads, mine services area, mine open pit and mine waste dump. Having been recently established the mine infrastructure is reported to be in good working order with no substantive operating issues.

Workshops and maintenance infrastructure at the Wahgnion Gold Mine include mine services area facilities, administration and support facilities, and process plant facilities. As well, fuel farms, waste oil and grease storage, a wash-down bay for heavy equipment and light vehicles, oil water separators for treatment of hydrocarbon contaminated water, sewage collection facilities, water services including raw and fire water distribution, potable water and filtered supply, and explosives storage facilities have been constructed.

Telecommunications for the Wahgnion Gold Mine include satellite communications infrastructure and services between the site, Ouagadougou, and London; communications infrastructure (equipment rooms, radio huts, diesel generator); network cabling infrastructure linking site infrastructure and accommodation villages; communications tower adjacent to the plant; telephone systems (local and international); CCTV systems; and the village recreation system.

A permanent accommodation village was constructed to accommodate the Wahgnion Gold Mine workforce, consisting of approximately 400 rooms. The camp includes a potable water system and a sewage treatment plant.

The Group is currently constructing an air strip at the mine site which will be completed by the end of Q2 2021.

10.7.1 Access and Transportation

The Wahgnion Gold Mine is located in the southwestern corner of Burkina Faso and bound by the Côte d'Ivoire border to the south and the Mali border to the west. It is accessible by driving southwest along the Route Nationale (N1) from the capital of Ouagadougou to the town of Bobo-Dioulasso, then towards the southwest along paved secondary road (N2) to the town of Banfora, a distance of approximately 440km. From Banfora to the site via the town of Sindou, a distance of approximately 75km, the road is paved and well maintained, and an unpaved but well-maintained road exists from Sindou to the Wahgnion Gold Mine.

The Wahgnion Gold Mine is located in a sparsely populated part of Burkina Faso. The local population depends on subsistence farming, cattle raising, and artisanal mining. The nearest village of substance to the Wahgnion Gold Mine is Niankorodougou, which is located approximately 15km to the northeast and 14km to the north of Nogbele and Fourkoura,

respectively. The road connecting Niankorodougou to these two areas is periodically graded and culverts have been installed at major drainage points.

Whilst the entire site property has not been fenced, all critical infrastructures are fenced (plant, etc.), there is signage around the limit of the Group's designated area, within the Mining Licence area, with all pits and haul roads bordered by windrows. The Group has a system of 24-hour mobile patrols safeguarding stockpiles and remote infrastructure. It is also noted that the Mines and Environmental Inspectorate visit the operation frequently and have not raised the methodology of delimiting operational areas as a non-compliance.

10.7.2 Power Supply and Distribution

Site-wide electrical power requirements for infrastructure, mining, and processing is sourced from an on-site HFO fuelled power station. This facility has a total generation capacity of 24.6MW and is comprised of six MAK8 medium speed gensets running on HFO and three Caterpillar high-speed backup gensets running on diesel. Emergency power from a standby 300kVA diesel powered generator is provided in the Wahgnion CIL Plant.

10.7.3 Water Supply

The principal water storage facility is the already mined out Nangolo open pit and the WHD located between the permanent accommodation village and the processing plant. Water is collected and pumped back to the plant to supply make-up water for processing and to supply primary water requirements (i.e., potable water usage and dust suppression). Priority is for recycled water to be recovered from the TSF decant facility with minimal use of collected water in the WHD or Nangolo open pit. Wahgnion Gold Mine has access to abundant water with numerous surface drainages including major rivers containing flow all year round. The groundwater table ranges from surface during rainy season to approximately 20m below surface during dry season.

The WHD is the main collection pond for raw process water on site and has a storage capacity of 1.15Mm^3 at the maximum operating level. The WHD has a catchment area of approximately 2,000ha, and when the pond volume is at maximum level the reservoir surface area is approximately 42ha. The WHD basin area was cleared and grubbed. Runoff reporting to the WHD should be pumped as soon as practicable to the Nangolo Pit, to supply plant raw water requirements and process make-up water requirements. The Nangolo Pit is an integral part of the water supply system and was established in Q4 2020.

The Léraba River abstraction tower was designed with the crest at the estimated 1 in 100-year flood level, plus freeboard allowance. The Léraba River abstraction tower comprises submersible pumps situated within a vertical steel (slotted) tower, located within a trench excavated into the northern abutment of the Léraba River. The base of the trench at the inlet coincides with the lowest allowable river flow level for abstraction.

The site water management plan comprises:

- The WHD operating as a 'catch-and-release' structure, pumping runoff to Nangolo open pit:
- River Abstraction from Léraba River to Nangolo open pit to supplement supply from WHD;
- Nangolo open pit reservoir primary storage and process supply (besides TSF); and
- Abstraction rate from WHD to Nangolo open pit estimated as 50l/s.

The current site water balance relies on 10l/s to 20l/s from dewatering inflows. However, previous studies have predicted dewatering inflows to be significantly lower, even to the final pits. Furthermore, there is a high reliance on groundwater resources from local communities and a resulting high stress on remaining water resources.

10.7.4 Hydrocarbon Storage

Wahgnion Gold Mine has a fuel supply contract with TOTAL. There is an onsite fuel storage facility (fuel farm) which stores HFO and diesel for the power plant, mine trucks, light vehicles and other users at the process plant with up to three weeks of capacity

10.8 Human Resources

Wahgnion Gold Mine presently reports 1,822 TEC comprising 1,101 of which are reported as employees and 1,031 of which are nationals (Table 10-36). Table 10-37 presents the historical productivity metrics for Wahgnion Gold Mine reported from 2019 through 2020 inclusive. This indicates that total material processed per TEC per month has increased to 165t/TEC/m whilst gold production has increased to 249g/TEC/m.

Table 10-36: Wahgnion Gold Mine: historical human resources

Statistic	Units	2019	2020
Expatriates	(No)	64	70
Nationals	(No)	947	1,031
Subtotal	**(No)**	**1,011**	**1,101**
Contractors	(No)	291	608
Daily Workers	(No)	72	113
Total	**(No)**	**1,374**	**1,822**

Table 10-37: Wahgnion Gold Mine: historical productivity metrics

Statistic	Units	2017	2018	2019	2020
Physicals					
Processed	(kt)	-	-	958	3,606
Produced	(kozAu)	-	-	47	175
Productivity					
TEC	(No)	-	-	1,374	1,822
	(t/TEC/m)	-	-	58	165
	(g/TEC/m)	-	-	90	249

10.9 Occupational Health and Safety

Occupational health and safety at Wahgnion Gold Mine is managed in accordance with an Occupational, Health and Safety Standard OHSAS 18001. Review of historical statistics from commencement of operations in 2019 indicate low LTIs over the period to a value of 0.23/mmh in 2020. AIFRs have not been historically reported. In 2020 a total of 213 malaria cases were reported which is significantly lower than that reported for 2019.

Table 10-38: Wahgnion Gold Mine: historical occupational health and safety statistics

Statistic	Units	2015	2016	2017	2018	2019	2020
Safety							
Fatality	(No)	-	-	-	-	-	-
Lost Time Injury	(No)	-	-	-	-	-	1
Total Time	(m.hrs)	-	-	-	-	2.02	4.34
LTIFR	(No/mmh)	-	-	-	-	-	0.23
AIFR		-	-	-	-	-	-
Occupational Health							
Malaria Cases	(No)	-	-	n/a	n/a	528	213

10.10 Environmental and Social Management

An ESIA process was conducted for Wahgnion Gold Mine between 2012 and 2013 on behalf of previous owners, Gryphon Minerals. The WGM 2013 ESIA was prepared by MBS Environmental Services Limited ("**MBS**"), an Australian consultancy with input from Burkinabe consultants Socrege and other international consultants including Intersocial, Knight Piésold and Cardno. The WGM 2013 ESIA assessed a project design including carbon-in-leach (processing technology).

A subsequent ESIA was prepared in 2014 (the "**WGM 2014 ESIA**") by Burkinabe consultants Experiens and international consultants Knight Piésold to reflect a planned change to heap leach processing technology. Although the project was eventually constructed with a CIL processing plant, this latter WGM 2014 ESIA, is the study referenced as most relevant by the operation as it was an update to the WGM 2013 ESIA. The Environmental Permit, however, is based on a CIL processing plant, not a heap leach one. A Notice d'impact environnemental

was also undertaken by Socrege in 2018 for the right of way for a river water abstraction pipeline that extends outside the existing environmental certificate area.

An ESIA was undertaken in 2019 (the "**WGM 2019 ESIA**") by Socrege for two resettlement sites to be built outside of the mining lease called R2 and R3. The environmental certificate was issued in 2020. Environmental geochemical characterisation was conducted in 2012, including static testwork on waste rock (142 samples from across six deposit areas) and cyanide leach tailings (one sample).

10.10.1 Environmental Authorisations

The environmental conformance certificate for Wahgnion Gold Mine construction was awarded by BUNEE in January 2014 which was based on the WGM 2013 ESIA.

The subsequent WGM 2014 ESIA report was submitted with a change in the processing method from CIL to heap leach. The revised documents were acknowledged by BUNEE in January 2015 stating that the current certificate was still valid and did not require updating or re-issuing. Wahgnion Gold Mine has since been constructed to include a CIL process method.

The principal environmental permits awarded to Wahgnion Gold Mine comprise:

- Arrêté No 2014-019/MEDD/CAB of 21 January 2014 which covers the Wahgnion Licence;
- Authorisation No 2015-026/MARHASA/CAB of 10 February 2015 which covers the water abstraction permit; and
- Arrêté No 2018-072/MEEVC/CAB of 12 March 2018 which covers the wate abstraction pipeline from Léraba River.

The environmental certificate has 55 specific conditions relating to environmental and social management. As required by one of these conditions, an updated PGES was finalized in January 2020 following the first year of operation and submitted to BUNEE. The commitments in this plan are legally binding.

The findings of an environmental management systems audit in November 2019 stated legal obligations relating to the Wahgnion Gold Mine were being recorded in formal registers and the status of compliance would start being assessed in 2020.

BUNEE audits the implementation of the PGES and operation of facilities required for environmental protection. An audit of PGES implementation by BUNEE in February 2019 identified weaknesses in waste management planning and revegetation and included 16 other recommendations. In the operation's 2020 annual environmental and social report, waste management and revegetation are identified as priority activities for 2021.

10.10.2 Environmental and Social Matters

Environmental and Social Setting

The Wahgnion Gold Mine is located in the Léraba Province, which comprises eight departments and nine communes. Communities immediately surrounding the mining deposits that will be primarily affected by the project are Nogbele, Katolo, Fourkoura and Zegnedougou. Secondary affected communities include Niankorodougou, Dierisso and Dakoro.

Topography across the project area is generally open and undulating, with a few isolated ridges. Elevations range from approximately 280mRL in the south-west of the project area at the Léraba River, to 460mRL on some of the steeper ridges.

The operation is within the catchment of the Léraba River located to the south of the project area, which forms the international border between Burkina Faso, Cote d'Ivoire and Mali. All deposit areas are located within catchments of ephemeral tributaries that typically have narrow

and shallow flow channels and the banks have often been modified into rice paddies. In the dry season, they stop flowing and form pools, some of which may be perennial in the larger watercourses. When compared to national and international standards (ANZECC 2000; IFC 2007 and WHO 2011), surface water resources are not considered suitable for drinking, domestic use, agricultural use, passive recreation and ecosystem support due to the low acidity (pH ranging from 5.2 to 6.4) and slightly elevated aluminium, ammonia and nitrate concentrations. Although some villages in the mine area have access to small-scale drinking water supply systems, some are non-functional resulting is use of livestock wells and surface water for drinking and domestic purposes.

Community livelihoods are predominantly land-based with income sourced through the cultivation of cash crops, the sale of livestock and livestock products, and artisanal mining. The project area is covered by large areas of agricultural land, predominantly cultivated with cotton and maize, although sesame, groundnuts, millet, sorghum, and rice are also common. In addition to crops, the majority of households own fruit trees, either within concessions or in fields.

Approach to Environmental and Social Matters

An overarching integrated Environmental and Social Management System ("**ESMS**") has been developed for the operation to align with requirements of ISO 14001, ISO 45001 and IFC Performance Standards, which is in the process of being implemented. External audits of the system are carried out annually and recognise continual progress towards these standards over the last three years. However, the alignment with the standards was reported as 38% in November 2019, indicating substantial progress and improvement is still required regarding implementation. Internal audits and management review were identified as particularly lacking. This is an audit of HSE, not just environment, accordingly the 38% includes OHS in terms of alignment.

A suite of environmental and social management plans has been developed including; community development plan, community health management and monitoring plan, land management plan and cultural heritage management plan. It is however apparent that whilst Gryphon had a consultant to develop these, the items were never used and Teranga has not developed updated replacements to date.

A stakeholder engagement plan was developed for Wahgnion Gold Mine in 2019 and updated in 2020 and again in 2021. The plan includes stakeholder analysis, methods, frequencies and objectives of engagement with each stakeholder group.

Engagement activities include quarterly meetings with the Community Consultation Committee ("**CCC**") and local authorities, and monthly meetings with a recruitment committee to promote fair processes around local employment. Meetings are also planned with individuals, public administrations and specific stakeholder groups (youth, women, traditional healers, artisanal miners mine suppliers and sub-contractors). Some 298 meetings were held during 2020 despite the challenges posed by the COVID pandemic.

A Grievance Management Plan was developed in 2014 and a complaints-handling mechanism is in place on site. Some 264 complaints were raised in 2020 and 92% of complaints were resolved. According to the 2020 annual environmental report, the most commonly raised grievances include blasting and vibration impacts on properties (cracking), sediment deposition and runoff water quality and the sign-off process associated with the RAP.

The management of the Local Development Mining Fund ("**FMDL**") is guided by the Commune Monitoring Committee and will refer to the Commune development plan, which is a framework

document setting the priorities for the commune's development for the next five years. Although the plan was updated in 2019, the identification of projects for the FMDL is still under discussion with local and provincial authorities.

In 2019, more than US$200k was directly invested (outside of its local development fund commitment) in the communities surrounding the project in the areas of health, education, water and local governance. The Group donated school equipment to the schools of the region, rehabilitated the water supply system of Niankorodougou and constructed a building for the town hall. In parallel, the Company launched a training program in partnership with the Agence Nationale Pour l'Emploi ("**ANPE**") to train 25 youths in photovoltaic electricity.

In 2020, the operation funded the purchase of Covid equipment, renovated local authority buildings, drilled of six boreholes in municipality of Niankorodougou and provided US$11k of donations and aids during the year.

Resettlement

Since 2018, a large-scale resettlement programme has been implemented across four zones of the mine site. The resettlement process has been guided by a RAP and livelihood restoration plan prepared by international consultants ERM to meet laws of Burkina Faso and IFC Performance Standard 5 on involuntary resettlement.

The communities included in the 2019 RAP and the status of resettlement are presented in Table 10-39. The RAP is expected to be completed in 2023 and has a budget of US$18m excluding the cost of physical construction of houses. The RAP team includes 17 dedicated full-time employees.

Table 10-39: Wahgnion Gold Mine: resettlement statistics

Deposit/ infrastructure area	Community affected	Year	Physical resettlement (households)		Economic resettlement (ha cropland)
			Resettled	To be resettled	
Nogbele	Songha (R1)	2018	51	0	416.00
Nogbele	Zegnedougou	2019	2	0	0
Nogbele	Zievogo (R2A)	2019	43	0	151.00
Nogbele	Nangueledougou (R2B)	2020	154	0	0
Nogbele	Fougnéguévogo (R3)	2020	25	0	324.00
Fourkoura	Katolo (R4)	2021	12	79	159.70
Borrow pit	Songha	2021	0	0	18.50
Airstrip	R3	2021	0	5	37.76
TSF Cell2	R4	2021	5	0	59.11
TSF Add		2021	0	0	10.77
Samavogo	Djondougou	2023	0	99	TBC
Stinger	Nadjangoala	2025	0	42	TBC
Total			**292**	**225**	**1,176**

A community consultation committee comprised of approximately 120 representatives from the government, communities, and NGOs with broad and equitable representation reviews makes consensus-based decisions for the RAP and livelihood restoration plan. Stakeholders also have access to a grievance mechanism to address any concerns or complaints.

Findings from a government PGES inspection in 2019 exposed concerns from Project Affected Persons ("**PAP**") relating to the resettlement of Songha, including cracked buildings. Reparation activities were undertaken to address this.

Other Issues – Community health and safety

The Wahgnion Gold Mine is not currently fenced. The operation is aiming to take a balanced approach to minimise land take around the operation. All processing and key infrastructure facilities are fenced, and mining areas could be fenced subject to operational or governance requirement. A number of people beside the workforce are present within the site area at any time including livestock keepers, farmers and on occasion, artisanal miners around unattended ore stockpiles. WGO creates a buffer zone around its operational areas of 500m. Structures within the buffer zone are removed and the owners are compensated in line with IFC guidelines and structures are rebuilt in line with national building standards. Dependent on the area,

agricultural activity may be permitted to continue within the buffer zone, and financial compensation agreements are put in place with the landowners to cover the inconvenience of blasting.

The approach to reduce land take within the Mining License area does require very close co-operation between community and operator. The operator maintains a system of Community Marshalls to prevent people and livestock from entering into the working area. Mobile security patrols are also used in the same manner to prevent the ingress of ASM activity

Other Issues – Illegal Mining

ASM occurs in the vicinity of Wahgnion Gold Mine, although not presently considered to impact operations. An ASM management plan is in development at Wahgnion Gold Mine. ANEMAS (the GoBF Department dealing with ASM) is consulted on all aspects of dealing with ASMs. Prior to any relocation of ASMs the approval of ANEMAS is sought. Relocation of ASMs is only undertaken by national security agencies. If unmitigated, the presence of ASM poses an ongoing risk to community relationships and potential for unrest, and the correlated potential for business interruption. There are also risks associated with potential, perceived or real human rights infringements. Wahgnion Gold Mine does provide training to their own security force and local national security agencies on the UNVP.

Other Issues – Water Impacts

Based on geochemistry test work, waste rock is not acid generating and a generally low number of element enrichments were observed. However, metal leaching tests were recommended to assess the potential for leaching of environmentally significant elements from the waste rock, which could have a detrimental effect on the quality of surface water or near surface groundwater (Knight Piésold, 2012). The status of the additional leach tests is unknown.

Surface and groundwater quality monitoring data is collected and presented in the annual environmental report but is not evaluated to identify trends in quality or exceedances that require action. Reports of direct discharge of pit water and run off from waste rock dumps to natural watercourses without desilting, as well as community complaints about surface water quality, indicate that further assessment is needed to determine whether additional management measures are required to control impacts on water quality and avoid further exceedances. During the wet season pit water and run off from waste rock dumps is directly discharged into natural water courses following desilting which has in extreme down pours proved to be less than 100% effective. There have been some grievances from the community in this regard, resulting in an inspection from local authorities though no warning or fines were received. Wahgnion Gold Mine has executed upon remedial recommendations from the local authorities. Further work is ongoing to improve upon this.

Energy, Emissions and Water Usage Metrics

Table 10-40 presents a summary of the energy, emissions and water usage metrics at the Wahgnion Gold Mine for the period 2017 through 2020.

Table 10-40: Wahgnion Gold Mine energy, emissions and water usage statistics

Statistic	Units	2017	2018	2019	2020
Milled	(kt)	-	-	958	3,606
Energy Consumption	(MWh)	-	-	174,333	375,311
	(kWh/t)	-	-	181.98	104.07
Water Consumption	(Ml)	-	-	998	2,908
	(Ml/t)	-	-	1,042	806
GHG Emissions	(tCO_2e)	-	-	50,321	189,432
	($kgCO_2e/t$)	-	-	52.5	52.5

10.10.3 Mine Closure

A conceptual life of mine closure plan relating to the operations was prepared by MBS in March

2013 as part of the environmental impact assessment process. The conceptual closure plan was revised and updated by MBS in July 2017 to reflect updates in project design. The plan is aligned with legal requirements of Burkina Faso and good international industry practice, specifically the ICMM Integrated Mine Closure Good Practice Guide (2019). The plan provides a sound basis for closure planning such that these issues can be adequately addressed during the LoM, ensuring closure of the operations is undertaken in a sustainable manner, consistent with agreed post-mining outcome, and land uses. The plan will continue to be reviewed and updated as the operation progresses. No life of mine closure cost was provided as part of this plan, however, the 2019 Amended Technical Report for Wahgnion (Teranga, 2019) states that life of mine closure costs have been estimated at US$17.4m

The closure plan does not include quantitative predictions of surface or groundwater quality in the post-closure period and assumes there will not be water quality issues at closure. Some additional geochemical testwork will be required on waste rock and other waste materials to verify this assumption. Burkinabé consulting firm, SOCREGE, is currently working on an update of Rehabilitation and Closure Plan and has completed its first round of public consultations.

The 2015 Mining Code of Burkina Faso requires operators to provide funds in a trust account to cover the costs of implementing the conservation and environmental rehabilitation program. The value of the rehabilitation fund accrued by Wahgnion at the end of March 2021 is US$1.8m. This is accrued at a rate of XOF200m per quarter (approximately US$350k).

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$16.8m for the Wahgnion Gold Mine. Incorporating the various adjustments as noted below (see adjustments), SRK's estimate of the LoMp closure costs results in a potential increase to US$19.6m (Table 10-41) though it is understood that final closure requirements may change over time. Mine closure related expenditures are planned to commence on closure in 2027 and 2037. There are no detailed estimates available to indicate the allocation to the three main sub-divisions of expenditures the total LoMp closure costs comprise: pre-closure expenditures of; closure related expenditures; and post closure monitoring expenditures. In addition to the mine closure costs, the retrenchment costs are estimated at US$9.7m which provides for a total Environmental and Social Liability estimate of US$29.4m.

It is however important to note that the Group immediate closure as estimated as presented in Table 10-41 reflects the Group's current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that current reflected in the ARO estimate by the Group. As at 31 December 2020 the mine closure fund is reported at US$1.4m.

Table 10-41: Wahgnion Gold Mine Environmental and Social Liabilities

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Pits	336	336
Waste dumps	2,263	2,263
TSF	4,022	4,022
RoM Pad & Stockpile	-	-
Leach pads	-	-
Explosive Magazine	-	-
Plant	2,397	2,397
Mobile maintenance workshop	-	-
Hydrocarbon	-	-
Road	238	238
Monitoring	-	-

Liability	Group Immediate Closure (US$k)	LoMp Closure (US$k)
Tailings Water Treatment	-	-
Buildings and Infrastructure	2,185	2,185
Indirect	4,250	4,250
Contingency (25%)	1,144	3,923
Total	**16,836**	**19,615**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

10.11 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to the Wahgnion Gold Mine with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 10-42; Table 10-43). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR. The scenario presented is limited to depletion of the stated Ore Reserves as at 31 December 2020 and does not reflect the potential for continued operations assuming inclusion of Inferred Mineral Resources and potential expansion of the open pit at a higher short-term gold price.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 10.4 and Section 10.5 of this CPR which projects processing a total of 26.5Mt grading 1.61g/tAu with weighted average recovery of 93.1% to produce 1.3Moz of gold. The LoMp assumes continued mining at Nogbele and the addition of three new open pit groupings at Fourkoura (2021), Samavogo (2023) and Stinger(2026). Open pit mining and processing operations are planned to cease in 2029 on depletion of Ore Reserves.

Production and Commodity Sales

The production profiles are based on the current LoMp which assumes depletion of the ore Reserves reported at 31 December 2020. Total gold poured is determined at 1,272koz and inclusion of GIC and FG adjustments results in total sales of 1,272koz. Gold production is planned to range between 140koz and 180koz.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Wahgnion Gold Mine is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating

cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$2.43/$t_{mined}$ for open pit operations and US$12.04/$t_{milled}$ for processing operations;
- Site General and Administration annual operating expenditures assumed at US$19.0m in 2021, thereafter reducing to US$14.0m in 2023 and remaining constant over the LoMp period and reducing to US$4.8m and US$2.4m in the penultimate and final year of operations respectively;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2021 the cost allocation is US$4.4m and the LoMp weighted average unit rate per tonne milled is estimated at US$1.06/t;
- Commodity prices for primary consumables inclusive of base prices, transport costs and duties: include steel balls (US$1,320/t); caustic soda (US$1260/t); cyanide (US$2,640/t); lime (US$480/t); HCL-32% (US$775/t); and activated carbon (US$3,790/t);
- Royalties determined in accordance with the sliding scale referenced in Section 10.2, other related third-party royalties (the Sanembaore Royalty as defined herein) and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Social Development Fund contributions is determined in accordance with the Exploitation Licence conditions and is determined at 1.0% of the projected sales revenue determined on the basis of gold sales;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.00/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Burkina Faso which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures totalling US$53.9m all of which is related to the resettlement programme and TSF Cell 2 starter dam construction activities;
- Sustaining capital expenditures of US$130.4m with the key components comprising mining equipment (US$57.8m), mine development (US$12.0m), process sustaining (US$10.8m; US$0.41t_{milled}), and TSF related construction and lift costs (US$46.1m);
- Capitalised waste estimates as reference above and amounting to a total of US$87.2m over the LoMp; and

- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$27.3m.

Table 10-42: Wahgnion Gold Mine Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	265,704	26,806	26,971	41,027	41,006	41,025	41,009	33,761	12,391	1,709
Waste	(kt)	240,198	23,350	23,612	37,131	38,820	37,228	38,171	30,176	10,514	1,196
Ore	(kt)	25,506	3,456	3,359	3,896	2,186	3,797	2,838	3,585	1,878	513
	(g/tAu)	1.64	1.59	1.32	1.75	1.67	1.68	1.70	1.49	1.95	2.30
	(kozAu)	1,343	177	143	220	117	205	155	171	118	38
Stripping Ratio	(t_{waste}:t_{ore})	9.42	6.76	7.03	9.53	17.76	9.80	13.45	8.42	5.60	2.33
Ore Processed	(kt)	26,425	3,380	3,414	3,223	3,220	3,189	3,217	3,197	3,007	577
	(g/tAu)	1.61	1.58	1.39	1.84	1.48	1.86	1.58	1.58	1.49	2.12
	(kozAu)	1,367	171	152	191	153	191	164	162	144	39
Recovery	(%)	93.07	94.02	93.31	93.39	93.47	93.07	93.35	92.56	91.73	90.62
Production	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Poured	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Sales											
Gold	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Operating Expenditure											
Mining	(US$m)	(644.7)	(68.54)	(71.63)	(83.16)	(84.87)	(105.01)	(86.38)	(81.47)	(54.44)	(9.24)
Processing	(US$m)	(318.0)	(38.73)	(40.22)	(38.91)	(38.17)	(39.47)	(36.90)	(38.94)	(38.89)	(7.79)
SG&A	(US$m)	(115.2)	(19.00)	(19.00)	(14.00)	(14.00)	(14.00)	(14.00)	(14.00)	(4.80)	(2.40)
CG&A	(US$m)	(28.0)	(4.44)	(3.67)	(4.44)	(2.72)	(3.52)	(3.19)	(3.65)	(1.85)	(0.55)
Realisation	(US$m)	(3.8)	(0.48)	(0.43)	(0.53)	(0.43)	(0.53)	(0.46)	(0.45)	(0.40)	(0.11)
Capitalised Waste	(US$m)	87.2	6.34	-	2.74	30.53	19.98	22.75	4.82	-	-
Total	**(US$m)**	**(1,022.6)**	**(124.85)**	**(134.95)**	**(138.30)**	**(109.67)**	**(142.55)**	**(118.17)**	**(133.69)**	**(100.37)**	**(20.07)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(53.9)	(25.56)	(22.35)	(2.00)	(2.00)	(2.00)	-	-	-	-
Sustaining	(US$m)	(130.4)	(6.70)	(25.16)	(31.30)	(11.89)	(16.51)	(20.38)	(13.93)	(4.11)	(0.42)
Capitalised Waste	(US$m)	(87.2)	(6.34)	-	(2.74)	(30.53)	(19.98)	(22.75)	(4.82)	-	-
Environmental Closure	(US$m)	(27.3)	-	-	-	-	-	-	-	-	(7.64)
Total	**(US$m)**	**(298.7)**	**(38.60)**	**(47.50)**	**(36.05)**	**(44.42)**	**(38.50)**	**(43.13)**	**(18.75)**	**(4.11)**	**(8.06)**

Table 10-43: Wahgnion Gold Mine Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Recovery	(%)	-	-	-	-	-	-	-	-	-	-
Production	(kozAu)	-	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sales											
Gold	(kozAu)	-	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(19.61)	-	-	-	-	-	-	-	-	-
Other	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(19.61)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

10.12 Risks and Opportunities

The key **risks** relating to Wahgnion Gold Mine are:

- **Geological Modelling and Mineral Resources:** The current geological models as developed for the Wahgnion deposits comprise numerous models developed by a number of previous owners and third-party consultants over a prolong period of time. Whilst in general the supporting data density is considered appropriate to support the reporting of Mineral Resources reported in accordance with the JORC Code there remain a number of areas which require to be addressed in future geological modelling and resource modelling updates.
  - **Geological Domains and Wireframes:** In general, the 3D alignments of drillhole gold

assays above the modelling cut-off grade are relatively simple to interpret, and overall, the wireframes adequately represent the inferred trends and define potentially economic gold mineralisation. Furthermore, based on the domain gold assays statistics, the choice of lower modelling cut-off and the application of high-grade caps is appropriate.

In areas of structural complexity, such as step-overs between main fault segments (central Samavogo), in areas where mineralisation is lower grade and/or becomes more diffuse (Nogbele North, North West region; southern and eastern parts of Nogbele South, south Tahiti and South Central zones), and where shorter structures with a length-scale of around two times the drillhole spacing have been modelled (minor parts of Stinger), alternative interpretations of mineralisation are possible. This issue generally affects low-grade areas (Nogbele) or small proportions of the wireframe models (Stinger and Samavogo). However, at Fourkoura, numerous examples were found of wireframes extending through multiple, sometimes successive, barren intervals instead of being allowed to pinch out. Overall, the Fourkoura wireframe model implies both a down-dip and along-strike continuity (100m to 400m) of individual mineralised structures that may not be supported by the drilling data, and that in reality the gold-bearing structures have shorter length scales (approximately 20m to 60m). Accordingly, re-modelling of the wireframes is required at Fourkoura; however, taking into consideration cut-offs applied for reporting of Mineral Resources and Ore Reserves, no specific adjustment is considered warranted at this stage. Nevertheless, wireframes should be refined at Nogbele, Samavogo, and Stinger, to address the issues highlighted above and improve local structural representation; however, as described, as the issues affect minor parts of the models they are unlikely to have a material impact on the Mineral Resources as reported herein.

- **Block Modelling and interpolation:** The estimation approach adopted often uses parameters which result in highly localised searches and typically utilises blocks which are small (2.5m to 5.0m) in comparison to the drillhole spacing (generally gridded at 25m to 50m). Although the block size allows for good volumetric representation of the wireframes, the interpolation of block grades at such a fine resolution is not appropriate based on the comparatively large sample spacing. An alternative approach would be to choose parent blocks with dimensions around 1/2 to 1/3 the drillhole spacing and use sub-blocking to improve geometric representation. Only a small number of samples have been utilised to inform the block grade interpolations (minimum 3 and maximum 8 composites for estimation of blocks in search pass 1 and 2). The low number of maximum samples appears to be too restrictive and is supported based on the observation that at Nogbele North, the Ordinary Kriged estimate performs very similarly to the ID3 estimate in the swath plots and has a similar grade-tonnage curve. If performing well, an OK estimate should produce a more smoothed estimate and flatter grade-tonnage curve compared with an ID^3 estimate.

  Taking these factors into account, the combination of small parent blocks and a small number of maximum samples appears to have resulted in localised grade estimates for all Wahgnion models, whereby blocks immediately adjacent to drillholes reflect the local grade, without appreciable smoothing in between. This is clear from visual inspection of block models with respect to composites; and is demonstrated in swath plots of average block grades, which generally do not show much smoothing and closely replicate the sample averages at swath sizes similar to the drillhole spacing.

  Notwithstanding the above there is no significant evidence of under- or over-estimation,

or of grade smearing; therefore, the local grade estimates may not have had a material impact the global estimate. However, given that nugget variances of 0.3–0.7 have been modelled (at all deposits except Samavogo), there is an inherent variability in the gold grades such that the local grade distributions produced by the interpolations may not be appropriate. The local estimation bias will be compounded by the use of ID^3 technique instead of OK (Stinger, Samavogo, and Fourkoura); this technique was used at Stinger and Fourkoura even though variograms had been modelled (variogram models are required to use the OK technique). Although the modelled variograms are fairly poor (with ranges mainly controlled by drillhole spacing), this implies a moderate to high level of smoothing is desirable in the block grade interpolations (i.e. that OK and a larger number of maximum samples should be employed) and indicates that there is inherent risk in adopting a very selective mining approach based on these block models.

As such, the estimation approach for all of the estimates require reassessment with a focus on: block size and approach to parent and sub-blocks; the inclusion of expanded variography (even if the results are relatively poor) and the interpolation via OK; and selection of search parameters, considering the specific data distribution and grade trends of each deposit. The likely impact of addressing the above will result in a degree of smoothing that is reflective of the underlying grade variability.

In summary, the issues highlighted above are partly mitigated against by the fact that the areas subject to mine planning and thereby supporting Ore Reserves are relatively well covered with respect to data density and that certain of the issues identified above generally impact the areas currently classified as lower confidence categories. Furthermore, whilst the global estimates are considered to be reasonable and not biased, it is clear that where selective mining is assumed there is a risk that the following a re-estimation process the average grade mined in the higher-grade categories may be lower than that currently assumed. Accordingly, it is recommended that a detailed review and re-estimation us undertaken to redress the deficiencies highlighted above and assess the impact on any revised LoMps;

- **Mining Dilution:** Current reconciliation studies indicate that mining operations exhibit higher than expected gold mined when compared with the underlying geological model, however this is a direct result of higher tonnage and lower grade and as such may reflect a combination of higher than planned dilution and/or issues relating to overly localised estimates as noted above. In this regard it is clear that further work is required to reassess the underlying geological models and to reassess the reconciliation studies to then determine the impact of modifying factors and whether any further adjustments are required;
- **Mining Production:** Current mining operations are undergoing certain structural changes whereby mining operations are planned to be refocused with owner operations at Nogbele and contract mining at Fourkoura. Furthermore, at Fourkoura a relocation programme is underway and timely completion of this, and simultaneous construction activities may complicate the implementation timeline;
- **Process Recoveries:** The currently assumed metallurgical recovery determinations for the processed ores at Wahgnion Gold Mine are largely based on recovery models which are based either on a fixed recovery or historical plant performance and apply a linear regression model for leach extraction. Accordingly, given the projected annual grade variation by deposit and grade bins there remains a risk that the currently assumed recoveries are overly simplistic whereby recovery for the lower grade material is over estimated. In order to mitigate against this risk further work is required to assess monthly grade-recovery

relationships and to develop non-linear relationship both by deposits, material type and by grade bins;

- **Water Management:**
  - The open pit geotechnical stability analysis assumes depressurised slopes, however the degree of technical work including development of hydrogeological models and development of active/passive dewatering programmes are limited and further work is required to refine these especially when intersecting thicker zones of saprolite and as the pits deepen towards their projected ultimate pit depth,
  - In general, there is a lack of water monitoring and poor baseline definition, particularly with regards to groundwater. Water quality impact modelling has not been undertaken for the project and no impact management or mitigation measures have been devised. Pit dewatering surplus is currently discharged to surrounding surface watercourses with no sediment control. Surplus discharge monitoring is insufficient and in the absence of any mitigation measures, such as water treatment, any exceedances found would likely result in either uncontrolled downstream impacts and/or non-compliance with discharge conditions, or production/operational impacts due to the cessation of discharge;
- **Security:** A number of people beside the workforce are present within the site area at any time including livestock keepers, farmers and on occasion, artisanal miners around unattended ore stockpiles. Wahgnion Gold Mine has created a buffer zone around its operational areas of 500m. Structures within the buffer zone are removed and the owners are compensated in line with IFC guidelines and structures are rebuilt in line with national building standards. Dependent on the area, agricultural activity may be permitted to continue within the buffer zone, and financial compensation agreements are put in place with the landowners to cover the inconvenience of blasting. The approach to reduce land take within the Mining License area does require very close co-operation between community and operator. The operator maintains a system of Community Marshalls to prevent people and livestock from entering into the working area. Mobile security patrols are also used in the same manner to prevent the ingress of ASM activity;
- **Resettlement:** A resettlement programme is currently underway which assumes expenditures of approximately US$17.8m is allocated over a five-year period with the majority of this expended during 2021 through 2023. This is directly related to the resettlement program at Fourkoura which is presently underway as well, followed by Samavogo and Stinger as ongoing post resettlement related expenditures. Timely completion of this programme is key to maintaining the currently assumed production schedules over the coming three years;
- **Environmental and Social Issues (Mine Closure):** The LoMp liabilities as reported herein comprise both direct mine closure related expenditures and retrenchment expenditures. The retrenchment estimates whilst not based on a detailed employee length of service demographic analysis, is based on recent experience in Burkina Faso and as such is considered to be a reasonable estimate for the future liability to be incurred on closure. The mine closure cost however is derived from inventory assessments and unit rate assumptions largely focused on landform remediation and in the absence of an appropriately detailed and engineering mine closure plan is considered to be at best a scoping level estimate. Accordingly there remains a risk that following completion of additional technical work which is presently planned in accordance with the newly established Group Standard for Mine Closure that the estimates as presented herein may change specifically when considering the potential impacts of ARDML and any requirements for active water treatment which are

at present poorly informed given the level of technical studies completed to date. Furthermore, in respect of Environmental and Social Matters the key recommendations concluded are:

- to complete additional technical studies to assess the requirement for active water treatment for both pit dewatering discharges, WRD run-off and other contact areas which are at risk for contamination of soluble arsenic and other contaminants,
- to investigate the extent and impact of seepage referenced in respect of the TSF,
- to re-instigate surface water quality monitoring,
- to establish a compliance obligations database for obligations in permits and agreements and track conformance with these systematically,
- to prepare mine closure plans and cost estimates aligned with the Group Mine Closure Standard as planned,
- to maintain the proactive and continuous community stakeholder engagement; and

- **Environmental and Social (Artisanal Miners):** Artisanal and small-scale mining occurs at in the vicinity of Wahgnion Gold Mine. An ASM management plan is currently under development and both the mine security team and the police forces are involved in managing ASM at the operation. The presence of ASM poses an ongoing risk to community relationships and potential for unrest, and the correlated potential for business interruption. There is also risks associated with potential perceived or real human rights infringements, especially where the United Nations Voluntary Principles on Security and Human Rights are not adhered to by either private or public security forces.

The key **opportunities** relating to Wahgnion Gold Mine are:

- **Geology and Mineral Resources (exploration potential):** Exploration Potential at the Wahgnion Gold Mine is focused on existing mineralisation, identified prospects and targets which are open along strike and at depth. The 2021 exploration program, with US$12m budgeted, will focus on the Nogbele North and Nogbele South deposits, targeting the down dip continuation of mineralised structures between the Nogbele pits. Additionally, the north-northeast continuation of the Fourkoura deposit and the Hillside target will be tested for extensions; and
- **Life of Mine Plan extensions:** certain of the open pits whilst limited to Ore Reserves do mine a portion of Inferred Mineral Resources which are presently ascribed no revenue and effectively treated as waste. For Wahgnion Gold Mine the Inferred Mineral Resources reporting within the current pit designs is noted at 0.5Mt grading 1.30g/tAu and containing 20kozAu which if processed would extend mine life by approximately 2 months. Extension of the mine life beyond this based on current Mineral Resources would require an increased long-term gold price to approximately US$1,500/oz and in this instance when considering Measured and Indicated Mineral Resources, this could add a further 2.6Mt grading 0.52g/tAu and containing 44kozAu. Extension beyond this would require consideration of inclusion of Inferred Mineral Resources which reports 5.1Mt grading 1.52g/tAu for a total contained metal of 0.3MozAu. The constraining optimised shell used to report Mineral Resources reports a total of 49.4Mt grading 1.51g/tAu for a total contained metal of 2.4Moz. This may indicate further potential beyond that stated in the current Ore Reserve statements, however further work is required to assess this potential and development of an appropriately detailed LoMp which incorporates both currently defined Ore Reserves and any incremental Mineral Resources.

11 FETEKRO DEVELOPMENT PROPERTY

11.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

Furthermore, it should be noted that the assumptions regarding the commencement of capital investment as reported herein is based on the earliest start date following completion of the Fetekro 2021 Feasibility Study (the "**Fetekro 2021 FS**") and assuming that the appropriate financing could be secured timeously. Accordingly, it should be noted that the group has not yet approved construction of the project and as such the assumed start dates as considered herein are subject to change.

The current Mineral Resource and Ore Reserve Statements as reported for the Fetekro Development Property are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Group's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

11.2 Mineral Asset Background

The Fetekro Development Property is currently the subject of a recently completed pre-feasibility study (the "**Fetekro 2021 PFS**") and assumes construction of an open pit gold mine processing through a 3.3Mtpa CIP process plant (the "**Fetekro CIP Plant**"). the details of the Fetekro 2021 PFS are summarised in the *"Lafigué Gold Project for the Fetekro Property Pre-Feasibility National Instrument 43-101 Technical Report"* (the "**Fetekro 2021 TR**").

The current LoMp as reported herein is limited to depletion of the Ore Reserves (including stockpiles) from 2024 through 2033. Total material mined is planned to peak at 52Mt in 2024 ranging from 41Mt through 52Mt up until 2029, thereafter declining as production tapers off prior to planned depletion in 2033. Total processing throughput is assumed at 3.4Mtpa in 2024 and 3.5Mt in 2023, thereafter remaining at 3.3Mtpa until depletion in 2033. Total ore processed as reported in the Ore Reserves amounts to 32.0Mt grading 2.07g/tAu and total gold production is estimated at 2.0Moz attained at a weighted average metallurgical recovery of 94.7%.

Annual gold production is generally maintained at 200koz to 240koz and weighted average AISC is forecasted at US$845/ozAu. Total capital expenditure comprising growth (including non-sustaining) and sustaining capital is estimated at US$376.6m with mine closure costs (inclusive of retrenchment) estimated at US$44.0m. The mining operations are assumed as contractor mining for the LoMp.

Location, Access and Infrastructure

The Fetekro Development Property is located at latitude 08°14'42" north and longitude 04°40'25" west in the Vallee du Bandama administrative region of Côte d'Ivoire. The project is located in the north-central part of Côte d'Ivoire approximately 500km from Abidjan, within the northern-end of the Oumé-Fêtêkro greenstone belt, and close to the village of Lafigué. Lafigué project sits 5km from the village, in the north eastern corner of the Fetekro exploration permit the "**Fetekro Permit**". The exploration permit covers an area of 249.5km^2 in the Bandama

Valley District, which is in the Hambol Region of the Dabakala Department.

Access to the project area is via sealed regional highway B412, which traverses in an east / west direction approximately 15km to the north of the project site. An unsealed track extends from Bounadougou to Lafigué.

Physiography and Climate

The mine area is located in the Bandama Valley, characterised by a generally flat topography with a series of small north-east striking hills in the northwest and northeast corners of the prospect area and on the southern boundary. Hills and valleys with a similar strike direction are common in the Birimian belt of West Africa and are often inferred to be structurally controlled. The elevations range from 200msl to 400msl and the prospect area is traversed by a north-south striking valley.

In the Fetekro area, the vegetation is a savannah forest with grass. The agricultural activity is mainly cotton and cashew plantations, peanuts, rice, yam and corn cultures. Cattle farming is also done in the area.

The area is subject to the Sudanese climate, a tropical transition regime between the semi-arid sub-Saharan zones and the humid tropical zones of the Gulf of Guinea, with maximum rainfall in July, August and September and a dry period in December, January and February.

The climate is regulated by the displacement of the Intertropical Front ("**ITF**"). Annual rainfall is almost the same for the whole region, with an annual average of 800mm and a monthly average of 120mm for the months of June to September. However, it is noted that a cyclical phenomenon, about every five years, causes this annual average to vary between 800mm and 900mm of rainfall.

The annual average temperature is 28°C. The dry season from November to February is dominated by the harmattan, a dry and cool wind that blows from the Sahelian areas from north to south. It is characterised by low temperatures at night. Medium and high water appear during the rainy season, which often leads to the doubling of the grassy vegetation.

Figure 11-1: Fetekro Development Property location map



Ownership, Mineral, Mining and Exploration Rights

The exploration permit PR57 was attributed to SODEMI, the State-owned mining company, on 3 February 1993 by Decree No. 2000-561 for a three-year period. The initial area was 2,600km^2. A first two-year renewal, through the 044/MRMP/DMG decree, was granted on 28 May 1996. On this occasion, the permit area was decreased to 1,300km^2. The second renewal, No. 054/MRMP/DM dated 23 July 1999, extended the validity period for another two years and reduced the surface area to 614km^2. An exceptional renewal (014/MME/DM) for three years was then granted on 30 April 2001 to SODEMI for a perimeter reduced to 307km^2.

Due to the political crises which started in September 2002, the exploration work was halted for seven years. In 2013, a new exploration permit PR329 was attributed to SODEMI on a similar perimeter to the former PR57 by Decree No. 2013-410 on 6 June 2013 with an area of 335.5km^2. The first renewal (for three years) happened by Arrêté No. 090/MIM/DGMG on 11 July 2017. The second renewal by Arrêté No. 0008/MMG/DGMG on 13 January 2020 extended the validity period for another three years and will expire on 6 June 2022. The project sits on exploration permit PR 329 which covers an area of 249.8km^2.

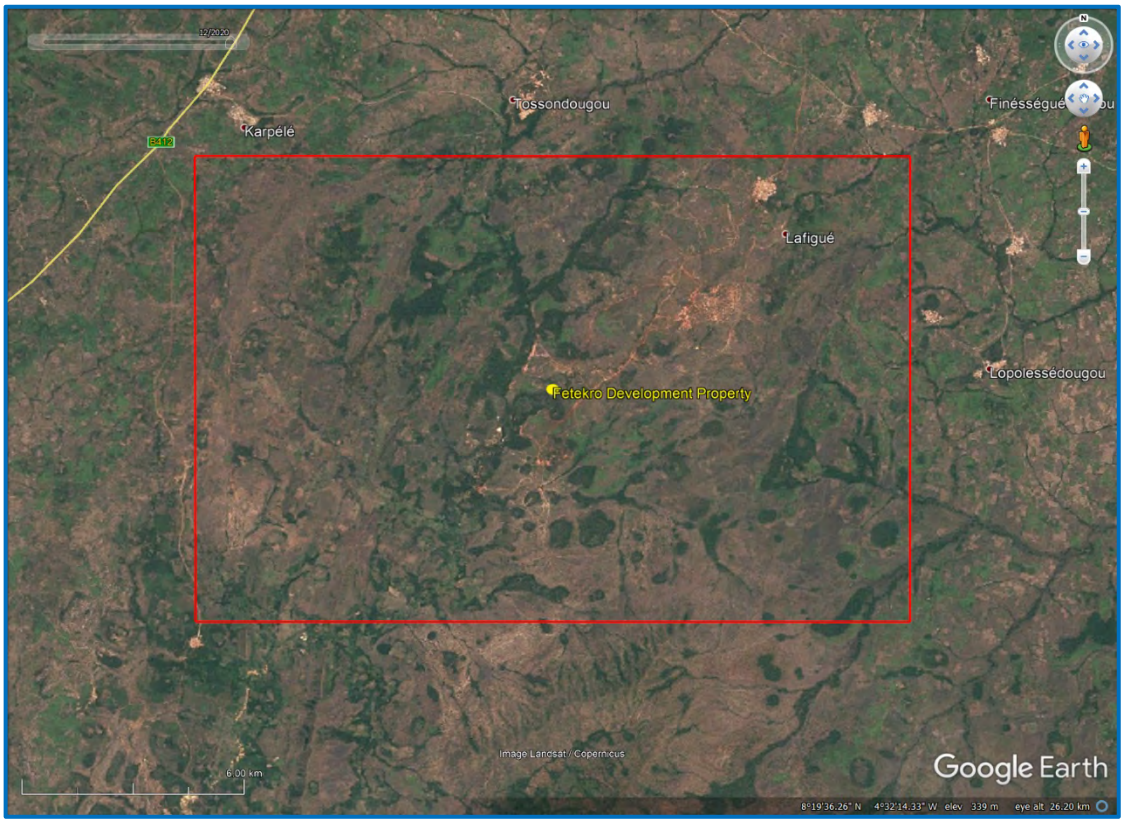
LMCI, a wholly owned indirect subsidiary of Group, has been the operator of the Fetekro Permit since 2014. On 18 December 2020, the PR329 permit was transferred from SODEMI to LMCI by Arrêté N° 00174/MMG/DGMG. As announced on December 21, 2020,the Group increased its stake in the Fetekro Development Property. Under the terms of the agreement, once the mining permit is granted, the Group will be entitled to an 80% stake in the Fetekro Development Property, compared to 65% currently, while SODEMI and the GoCI will each have a 10% stake. The Group will retain full ownership of the Fetekro Permit until it is converted into a mining license. An application for the mining license was submitted by LMCI on 2 February 2021 and the license is expected to be issued in 2021 and until this time the exploration permit is valid to allow for exploration activities only.

Pursuant to its mining convention to be awarded with the GoCI, the Group will be required to pay a royalty based on a sliding scale in accordance with the prevailing gold price: 3.00% to US$1,000/ozAu; 3.5% from US$1,000/ozAu to US$1,300/ozAu; 4.0% from 1,300/ozAu to US$1,600/ozAu; and 5.0% above US$1,600/oz. In addition, and in accordance with a historical agreement, the sales revenue from the Fetekro Development Property is also subject to an additional Adamus royalty of 0.50%.

Table 11-1: Fetekro Development Property Exploration Permit

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
La Mancha Cote d'Ivoire S.à r.l	Fetekro	PR-329	80.00	249.8	06/06/2022	1.4

Figure 11-2: Fetekro Development Property mineral tenure map



Historical Development

The first geological mapping campaign and exploration started in 1935 (BUMIFORM). In 1962, the BRGM and the SODEMI completed some more work on this area, primarily focusing on the potential for gold and bauxite occurrences. At the same time, geophysical airborne surveys were undertaken (1965-1968: BRGM / Canadian Aero Mineral Surveys Ltd. and 1973-1976: CIDA / Côte d'Ivoire / Kenting Ltd).

In 1996, an exploration, development and operating agreement (the "**Exploration Agreement**") was entered into by SODEMI, the title holder, and GENCOR (through its Ivoirian company "**GATRO-CI**") relating to the Fetekro Development Property. According to the Exploration Agreement, the exploration campaigns were completed by GENCOR through its Ivoirian company (GATRO-CI) and SODEMI/BRGM/La Source. GATRO-CI identified four main targets including Lafigué. In 1999, the Compagnie Minière Or ("**COMINOR**") secured the La Source participation and the GATRO-CI contractual commitments under the Exploration Agreement.

In 2000, COMINOR was transferred to Compagnie Générale des Matières Atomiques ("**COGEMA**") which was subsumed into La Mancha Group in 2006, via a reverse takeover of La Mancha by Compagnie Française de Mines et Métaux ("**CFMM**"), a wholly owned subsidiary of AREVA group.

Field work progressed but was put on hold from 2002 to 2010 as a result of civil war. In 2013 AREVA sold its gold assets in Côte d'Ivoire to a private fund. In 2014, LMCI was incorporated in Côte d'Ivoire as a 100% subsidiary of COMINOR and took over the exploration activities of COMINOR managed by its Ivoirian branch, COMINOR CI, including COMINOR contractual commitments under the Exploration Agreement.

LMCI become a wholly owned subsidiary of Group in November 2015. Subsequently, LMCI has been held 100% by "**Ity Holdings**", a wholly owned subsidiary of the Group. The Group

began exploration on the Lafigué property in March 2017, following a strategic assessment of its exploration tenements which ranked the property as a top priority target. Recently, pursuant to a sale of exploration permit agreement, PR 329 was transferred from SODEMI to LMCI by order Ministerial order N° 00174/MMG/DGMG dated 18 December 2020.

On 1 April 2021 the Fetekro 2021 TR which summarised the findings of the Fetekro 2021 PFS.

11.3 Geology and Mineral Resources

11.3.1 Regional and Deposit Geology

The Fetekro Development property, which includes the Lafigué gold deposit, is located towards the northern end of the Oumé-Fetekro greenstone belt (lower Proterozoïc), a North-South-trending terrane approximately 300km long and 20km wide. The belt primarily comprises Birimian volcanic units and volcano-sediments, consisting of mafic to felsic metavolcanics and clastic metasediments, that are bound and intruded by granitoid complexes. Known gold deposits in the Oumé-Fetekro greenstone belt include Bonikro and Agbaou.

Locally, the Lafigué deposit is hosted by a predominantly mafic Birimian age volcanic complex composed of metagabbros / metanorites and metabasalts, with a felsic intrusive (granodiorite or tonalite) body (and associated dykes) towards the west of the prospect. The regional foliation varies in strike from north-south to north 070°, dipping 25° to 65° towards the east/southeast.

Mineralisation is primarily controlled by an east-northeast trending brittle-ductile thrust fault dipping 15° to 45° south-southeast and extending along an approximately 2.2km strike length towards the eastern side of the Fetekro permit. Gold is hosted by a network of quartz-carbonate-tourmaline-pyrite-pyrrhotite-gold ("**Qz-Cb-To-Py-Po±VG**") veins within sheared and altered brittle-ductile deformation zones of varying thickness (typically 3m to 10m). Distinct deformation zones are typically located at lithological contact zones between mafic intrusive and volcanic (extrusive) units towards the central and southern parts of Lafigué, or between mafic and felsic intrusives at Lafigué Nord. Competency contrasts along these contact zones localised brittle-ductile shearing and associated hydrothermal fluid flow, focusing gold mineralisation. The alteration assemblage comprises biotite-sericite-tourmaline-chlorite-carbonate, along with disseminated pyrrhotite and pyrite.

11.3.2 Exploration Activity

At a regional scale, geochemical analyses of stream sediment and soil samples were completed alongside and airborne geophysical survey (magnetics) during several exploration phases from 1935 to the 1970s by BUMIFORM, and subsequently the BRGM (French geological survey).

In 1996, GATRO-CI completed a stream sediment and soil sampling programme, followed up by a series of exploration pits, trenches and limited drilling (14 DD holes for 1,446 m and 37 RC holes for 1,549m). From this work four main targets were identified, including Lafigué.

In 1999 COMINOR commenced an extension exploration program across the Fetekro permit, which resulted in exploration drilling during 2002, inclusive of 1,803m of RAB drilling, 1,281m of RC drilling and 461m of DD drilling. Drilling results demonstrated that mineralisation is not continuous between Lafigué Centre and Lafigué North and that felsic dykes play a role in controlling the location of mineralisation.

Field works were ceased between 2002 and 2010 during the civil war. Upon recommencement of exploration in 2010, COMINOR drilled 11 RC holes for 1,109m of and 4 DD holes for 396m targeting downdip extensions in Lafigué North.

In 2014, LMCI drilled 23 DD holes (1,864m) and 54 RC holes (4,634m) to test extensions of the mineralisation at Lafigué North, and to carry out a structural study. This was followed up by a

lidar topographic survey in 2015. Exploration resumed in March 2017, following a full reinterpretation of the historical data. Drilling mainly focused on the Lafigué target where a mineralised vein system was defined across an area approximately 2.5km long and 0.6km wide.

An extensive resource definition programme commenced in early 2017 with nearly 86,000 meters drilled on the property over a 2-year period. Drilling included 54 DD holes (8,677m), 527 RC holes (66,679m), and 35 RC-DD holes (10,466m). Additionally, approximately 20 prospects, primarily located around the Lafigué deposit and in the western part of the permit, were identified from a soil sampling campaign (6,844 samples) and VTEM aerial survey.

In 2019, LMCI conducted a regional soil geochemical survey on the central part of the permit, along with a detailed soil geochemical survey on anomalies >50Auppb previously identified in the western part of the permit. A total of 3,469 soil samples were taken and five new targets were defined.

The 2020 drilling program at Fetekro was primarily infill drilling along the south extensions discovered in 2019. Exploration drilling also targeted down dip extensions of the western part of the orebody. Additional holes were also drilled for HPGR tests and hydrological purposes. Drilling during 2020 totalled 329 holes for 80,584m. This comprised of 291 infill holes (35,693m RC and 35,671m RC-DD), 28 holes associated with exploration for nearby deposits (2,921m RC and 5,045m RC-DD), and 10 holes for technical studies associated with the PFS (108m RC, 412m DD and 734m). Table 11-2 presents a summary of the drilling conducted at the deposit.

Table 11-2: Fetekro Development Property: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
				DD	RC	AC	RC-DD
	(No)	(m)		(%)	(%)	(%)	(%)
Lafigué	829	138,695	40m-50m	8	57	0	36
Total	**829**	**138,695**		**8**	**57**	**0**	**36**

11.3.3 Quality and Quantity of Data

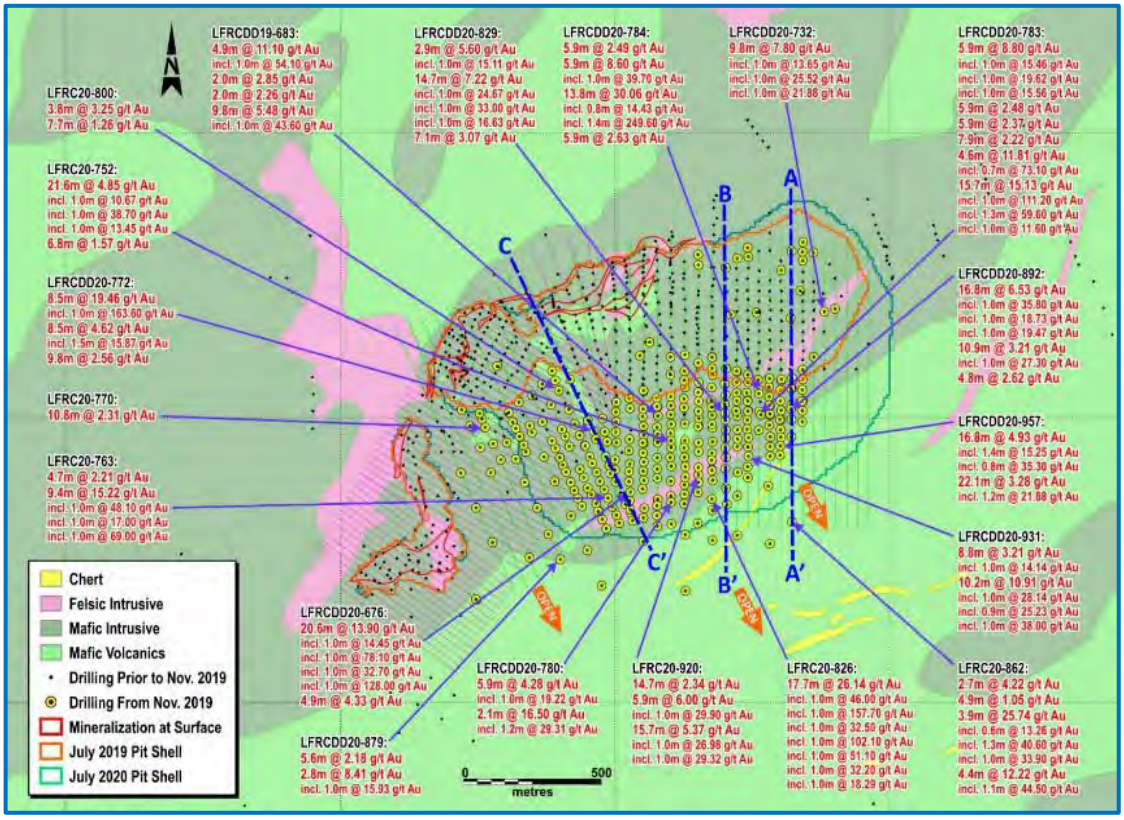
Since 2016 the sample preparation, analysis and security procedures have been under the supervision of Group geologists, where sample preparation on-site has been limited to the cutting of core samples and the splitting of percussion drilling chips with riffle-splitters. Between 2013 and 2016, these responsibilities were under the control of LMCI, where procedures were similar to those detailed below. There is limited information pertaining to sampling procedures and QA/QC for drilling conducted prior to LMCI and Group ownership.

RC samples were typically collected at 1m intervals in bags directly from the cyclone discharge at the drill rig. The samples were riffle split (2kg to 4kg split) into a labelled sample bag with a corresponding sample tag. The riffle splitters, plates, tubs and working areas were cleaned with compressed air after each sample was processed. The remaining reject sample was returned to the bulk plastic bag and either remained at the drill site or was transported to the sample management facility.

Core from diamond drilling was placed in either steel or timber core boxes. Core trays were marked with the drill hole number and downhole distance for the start and finish of the core in the tray. For core drilled since 2016, core orientation measurements were taken at the drill site soon after the core was removed from the core barrel, in competent fresh rock. The core was geotechnically logged and photographed at the drill site before being transported to the LMCI sample facility where the core was laid out for geological logging and other data collection. Specific intervals for sampling based on lithological contacts (typically 1m in length) were identified during the logging process. The core was cut in half along its longitudinal axis with a purpose-built diamond-blade core saw. After the core was cut, the right-hand side of the cut core (looking down hole) was placed in sample bags and sealed with the remaining core

retained for reference.

Figure 11-3: Fetekro Development Property: Lafigué geological interpretation and mineralised intercepts



All crushing and sample pulverization were completed by independent commercial laboratories following standard industry practice. Samples derived from the most recent campaigns were submitted to Bureau Veritas Mineral Laboratory Côte d'Ivoire in Abidjan for assaying by fire-assay methodology with an atomic-absorption finish. The typical sample preparation procedure included oven drying at 105°C to 110°C; crushing such that 75% passes a 2mm mesh; and pulverization of a 0.5kg sub-sample such that 90% passes a 75µm mesh. Fire assay analysis was conducted using a 50g charge, where an AAS finish was used on all samples, and a follow-up gravimetric finish on those samples returning a grade >10g/tAu.

An auditable chain of custody was established for the sample handling, data reporting and database capture. A comprehensive Quality Assurance/Quality Control program was established throughout the drilling campaigns. Appropriate standards, coarse blanks and field duplicates were inserted into the assay stream at regular intervals. For the 2017 – 2020 drilling programmes this included one blank submission per 30 regular samples, one CRM per 20 regular samples, and one field duplicate per 20 regular samples, representing insertion rates of 4%, 5% and 5%, respectively. The results of the controls were monitored on a regular basis before assays were entered into the master assay databases. In addition, selected samples were submitted to umpire laboratories.

11.3.4 Mineral Resource Estimation

Geological Domaining, Block Modelling and Interpolation

The Lafigué resource model (Table 11-3) was updated in July 2020, supported by the updated exploration drilling and based on a database cut-off date of 22 July 2020. A total of 26 mineralised zones were interpreted on a sectional basis (Figure 11-4) from the drillhole data

and associated geologic interpretations across Lafigué South, Centre, and North areas. The raw sample intervals were composited to 1.0m intervals within the mineralised wireframes and capped at values ranging from 15g/tAu to 30g/tAu. Variography was used to analyse the gold distribution and continuity within each mineralised zone and to determine appropriate inputs to the grade interpolation process. The variogram relative nugget effects ranged from 25% to 40%, indicating a moderate degree of short scale variability as would be expected for a gold deposit of this type. Variogram ranges were typically in the order of 50m to 70m (Table 11-4).

The gold grade was estimated using Ordinary Kriging constrained within the mineralisation domains. Block grades were estimated in two search passes to extend the grade estimate to the full extents of the interpreted mineralised domains. The estimation parameters are summarised in Table 11-4. The grade estimation was validated through a visual comparison of block grades with the associated input drilling data, as well as with swath plots.

Density was measured in 2,282 core samples using the Archimedes method (i.e. the core is coated in wax and measured using the standard water displacement method), with average values, split by lithology and weathering intensity coded into the model. These average values are detailed in Table 11-4.

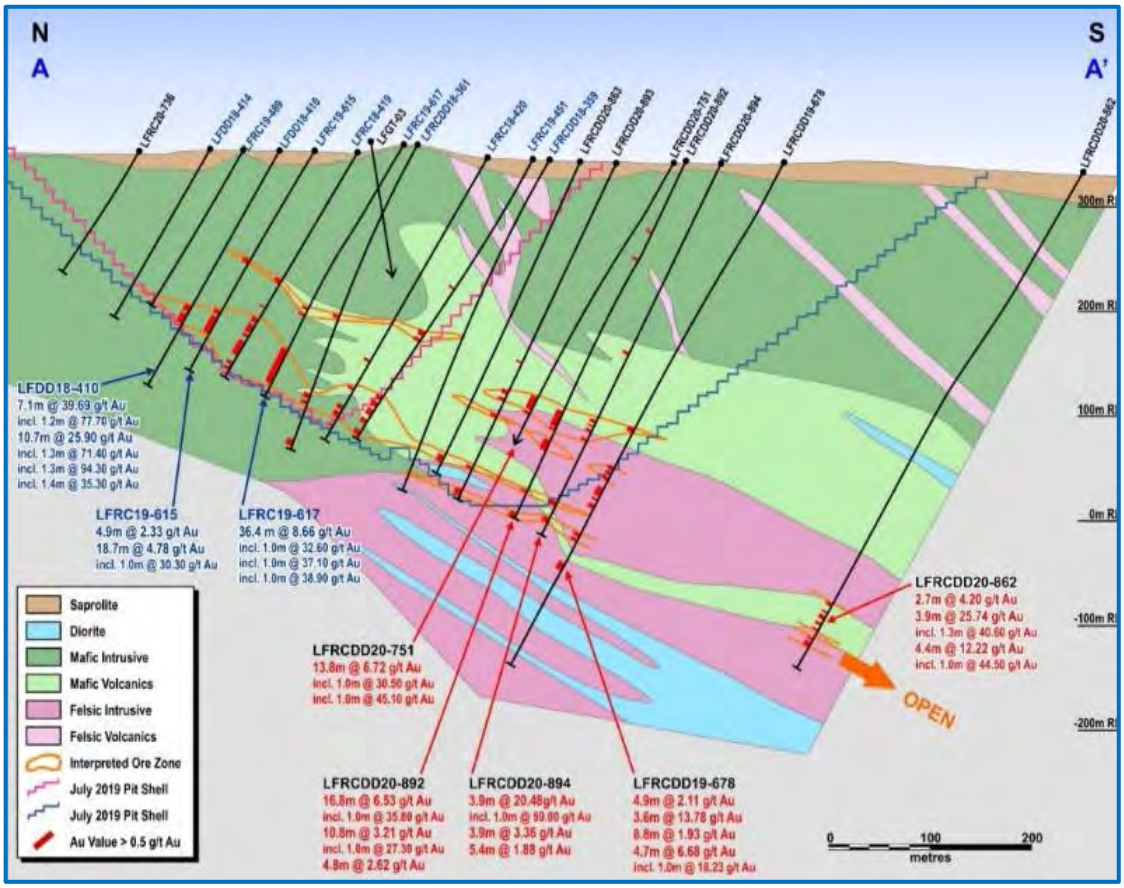
Table 11-3: Fetekro Development Property: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Lafigué	Wireframes interpreted on a 2D sectional basis (typically 40m to 50m spacing). Domains were modelled using a 0.3g/tAu cut-off and a minimum width of 2m. Some waste was included for continuity. Wireframes were snapped to drillholes and extended no more than 25m beyond the last drillhole intersection.	Deposit split into three areas (Lafigué North, Centre and South) across an extent of approximately 2.1km by 1km Deepest drilling down to 500m below surface. Mineralisation is open at depth in some areas (US$1,500/oz pit shell is 300m deep from the surface)	Strike: 080° Dip: 25°-30° south-southeast True width of mineralised structures: 2m to 35m.

Table 11-4: Fetekro Development Property: resource estimation parameters

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Lafigué	all samples composited at 1m length and capped before compositing	Top-cut values span from 15g/tAu to 30g/tAu: capping has been applied when needed, case by case, by identifying outliers on the 20 distinct mineralised domains that have been created.	Hard boundaries	Parent block size: 10m by 10m by 5m Sub-block size: 2.5m by 2.5m by 1.25m No rotation	Variogram parameters: Nugget Effect: 20%-40% Maximum range: 50m to 70m Search Volume 1 ellipsoid radii: 50m by 50m by 17m Factors used to increase search ellipsoids: 2 Min. no. composites: 7 (pass 1); 3 (pass 2) Max. no. composites: 20 Min. drillholes: 2 Grade Estimation methodology: Ordinary Kriging (ID2 for laterite domain)	Average values assigned by weathering domain: Laterite: 2.0t/m^3 Saprolite: 1.8t/m^3 Transition: 2.4t/m^3 Fresh: 2.8t/m^3	Visual check on section, comparing modelled blocks grades vs composites Swath plots Composites vs ID2 vs OK grades statistics (number, min, max, average, standard deviation) compared for each domain

Figure 11-4: Fetekro Development Property: Lafigué geological section



Classification

The estimated block model was classified on the basis of sample spacing, the number of samples used to inform the estimate, confidence in mineralised zone continuity, and geostatistical analysis. Those areas of the model estimated using a minimum of seven samples from at least three drill holes and within a 50m search radius were classified as Indicated Mineral Resources. Those areas of the model estimated using a minimum of three samples from at least two drillholes, and within a 75m search radius were classified as Inferred Mineral Resources.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective

of the associated higher operating expenditures. Alternatively, it has also become industry recognised common practice to utilise '*mine stope optimisers*' or other underground optimisation techniques to constrain the reporting of underground Mineral Resources which incorporates a number of key elements including: aggregation of block model units into stope dimensions (minimum sub-level/level/cut and strike lengths); incorporation of minimum mining widths; and exclusion stopes/mining which are distant from current and planned primary infrastructure.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Fetekro Development Property reports its open pit Mineral resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves including a gold price of US$1,500/oz. Reporting of open pit Mineral Resources are constrained within resulting optimisation shells derived using a gold price of US$1,500/oz and in situ cut-off grade of 0.50g/tAu irrespective of weathering type. The Whittle pit shell optimization assumed a base mining cost of US$2.50/t, US$2.75/t for oxide ore, US$3.25/t for transition ore and US$3.75/t for fresh rock ore, mining recovery of 95%, mining dilution of 10%, overall pit slope of 40°, recovery of 96% of the gold in the oxide, 95% in the transition and 94% in the fresh, and processing and G&A cost of US$19.85/t for the oxide and US$21.17/t in the transition and fresh.

11.3.5 Mineral Resource Statements

As at 31 December 2020 Fetekro Development Property reports total Mineral Resources (Table 11-5) of 32.9Mt grading 2.40g/tAu containing 2.5MozAu and comprising:

- Indicated Mineral Resources of 32.0Mt grading 2.40g/tAu and containing 2,470kozAu; and
- Inferred Mineral Resources of 0.8Mt grading 2.51g/tAu and containing 66kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 1.5Mt grading 2.16g/tAu; transitional material of 1.0Mt grading 2.12g/tAu and fresh material of 30.4Mt grading 2.42g/tAu.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shells assuming a long-term gold price of US$1,500/oz and application of a constant cut-off grade of 0.50g/tAu. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section 11.4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 11-5: Fetekro Development Property: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Indicated												
Lafigué o/p	32,030	2.40	2,470	1,268	2.12	86	876	2.08	59	29,886	2.42	2,325
Subtotal	**32,030**	**2.40**	**2,470**	**1,268**	**2.12**	**86**	**876**	**2.08**	**59**	**29,886**	**2.42**	**2,325**
Measured + Indicated												

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Lafigué o/p	32,030	2.40	2,470	1,268	2.12	86	876	2.08	59	29,886	2.42	2,325
Subtotal	**32,030**	**2.40**	**2,470**	**1,268**	**2.12**	**86**	**876**	**2.08**	**59**	**29,886**	**2.42**	**2,325**
Inferred												
Lafigué o/p	820	2.51	66	194	2.43	15	79	2.55	7	546	2.54	45
Subtotal	**820**	**2.51**	**66**	**194**	**2.43**	**15**	**79**	**2.55**	**7**	**546**	**2.54**	**45**
Mineral Resources												
Lafigué o/p	32,850	2.40	2,537	1,462	2.16	102	955	2.12	65	30,433	2.42	2,370
Total	**32,850**	**2.40**	**2,537**	**1,462**	**2.16**	**102**	**955**	**2.12**	**65**	**30,433**	**2.42**	**2,370**

11.3.6 Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 11-6 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are addition of 17.4Mt. Mineral Resources were reported within an optimised shell assuming a consistent gold price of US$1,500/oz.

Table 11-6: Fetekro Development Property: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Subtotal	-	-	-	-	-	-	-	-	-
Indicated									
Lafigué o/p	32,030	2.40	2,470	17,453	(0.14)	1,280	14,577	2.54	1,190
Subtotal	**32,030**	**2.40**	**2,470**	**17,453**	**(0.14)**	**1,280**	**14,577**	**2.54**	**1,190**
Measured + Indicated									
Lafigué o/p	32,030	2.40	2,470	17,453	(0.14)	1,280	14,577	2.54	1,190
Subtotal	**32,030**	**2.40**	**2,470**	**17,453**	**(0.14)**	**1,280**	**14,577**	**2.54**	**1,190**
Inferred									
Lafigué o/p	820	2.51	66	(47)	0.34	6	867	2.17	60
Subtotal	**820**	**2.51**	**66**	**(47)**	**0.34**	**6**	**867**	**2.17**	**60**
Mineral Resources									
Lafigué o/p	32,850	2.40	2,537	17,406	(0.12)	1,286	15,444	2.52	1,251
Total	**32,850**	**2.40**	**2,537**	**17,406**	**(0.12)**	**1,286**	**15,444**	**2.52**	**1,251**

11.3.7 Exploration Potential

To date, only a small portion of the Fetekro Permit has been explored, as the priority has been the Lafigué deposit, which remains open at depth and along strike. Several additional exploration targets have been identified within 10km from Lafigué, and which have had limited drilling of just 7,050m. An exploration program of US$7m is budgeted for 2021.

11.4 Mining and Ore Reserves

The Fetekro Development Property is intended to be conventional open pit mining using a drill, blast, load, and haul mining cycle. The Group plans to contract out the mining to a suitable mining contractor whilst maintaining operational oversight. The saprolite and laterite is anticipated to be primarily free dig, potentially requiring ripping. Production drilling of saprock and fresh material will be undertaken by top hammer drills drilling 127mm diameter holes. As rock strengths increase, blasting will be utilised more regularly in the saprock with powder factors estimated at 0.36kg/bcm. All the fresh rock will be blasted with powder factors estimated at 0.83kg/bcm.

Loading will be undertaken by hydraulic excavators (100t and 200t operating weights) to provide a balance between mining selectively and productivity. Hauling will be undertaken by rigid body dump trucks (90t capacity).

The current LoMp assumes mining of a total of 361.8Mt of material at a rate which increases to 51Mt by 2024 and remains at approximately 50Mtpa until 2030 and declining thereafter prior to

depletion in 2033. Total Ore Reserves mined from the open pits amount to 32.0Mt grading 2.07g/tAu at an average stripping ratio of 10.3t_{waste}:t_{ore}.

11.4.1 Mine Design, Planning and Scheduling

At the Fetekro Development Property all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 2.5m (Z). Mining loss assumptions are incorporated at 5% and no dilution or grade factors are applied (Table 11-7). These parameters should also be considered in the light of the reconciliation studies completed to date which indicate positive reconciliation on gold content accompanied with higher than planned dilution and lower mined grades.

The current Ore Reserves are reported assuming mill feed cut-off grades determined based on a weathering type specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates (Table 11-8).

The mining costs are initially determined assuming application of a range of mining related operating expenditures which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs assumed are based on the specific determinations per weathering type within each deposit.

The resulting unit operating costs as derived from the block models are as reflected in Table 10-16 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades as determined assume a long-term gold price of US$1,500/oz a royalty determination of 4.50% and selling cost assumptions of US$3.00/oz. The resulting mill feed cut-off grade determinations are presented in Table 11-10 below and range from a low of 0.34g/tAu to a high of 0.43g/tAu.

Table 11-7: Fetekro Development Property: assumed modifying factors

Deposit	Diluted Ore Loss			Grade Factor on Diluted			Metallurgical Recovery		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Lafigué	5.0	5.0	5.0	1.00	1.00	1.00	96.30	94.60	94.60

(1) Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 11-8: Fetekro Development Property: assumed metallurgical recoveries

Deposit	Recovery			LoMp Recovery		
	Oxide (%)	Transition (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Lafigué	96.30	94.60	94.60	94.40	92.93	93.10

Table 11-9: Fetekro Development Property: assumed operating cost inputs (cut-off-grade)

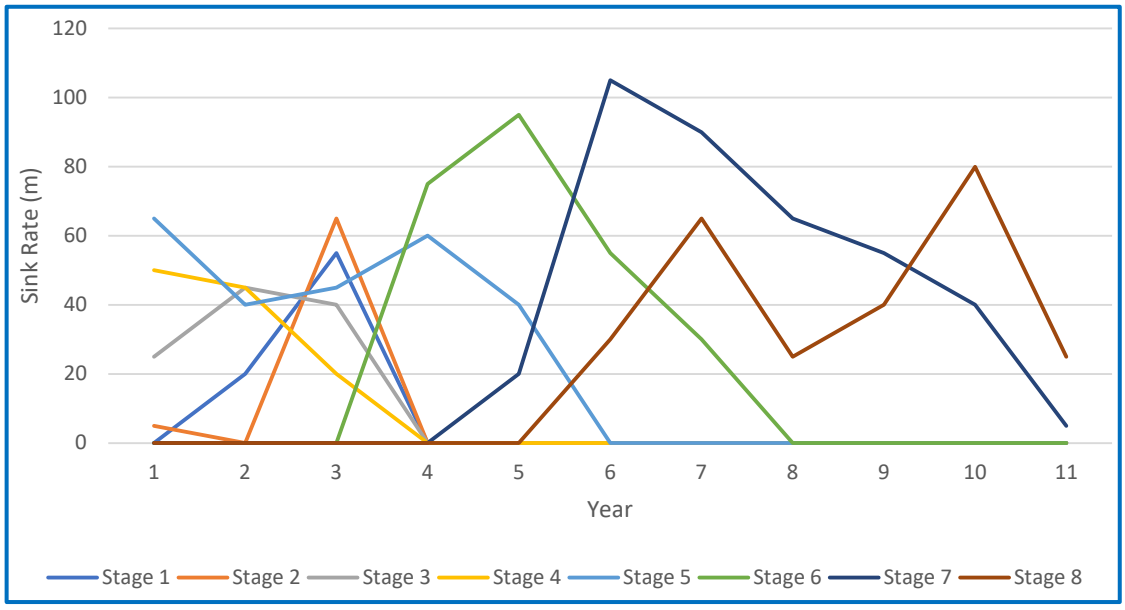
Deposit	Operating Expenditure					Marginal-Cost			Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Lafigué	3.35	9.23	10.88	12.73	5.74	14.97	16.62	18.47	18.32	19.97	21.82

Table 11-10: Fetekro Development Property: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
Lafigué	0.34	0.38	0.43

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at the Fetekro Development Property, open pit sink rates are generally less than the recommended 80m to 100m range.

Figure 11-5: Fetekro Development Property: open pit sink rate assessment



11.4.2 Hydrology and Dewatering

EMSA carried out field visits and investigations to infer the characteristics of the aquifers that will need to be dewatered during development and operation. The initial conceptual model and recommendations from the site investigation are:

- Two distinct groundwater zones exist:
  - a confined fractured aquifer, covering almost two-thirds of the pit shell (from the northern catchment divide to the south). The water table is typically below 320mRL and this aquifer has isolated perched zones and a distinct deep zone with water level under 280mRL, and
  - a semi-confined aquifer in the upper north, characterised by water table above 320mRL, with a peak at 370mRL;
- Water bearing fractures typically occur between 70mbs and 110mbs. The shallow saprolites are not water-bearing due to the nominal thickness (<10m). Any recharge to these saprolites flows laterally to the shallow streams, with minor vertical flow to the underlying saprock and later to the deeper bedrock where the water is added to the confined fractured storage; and
- Groundwater occurrence is associated with open fractures in mafic intrusive and mafic volcanic. Where no mafic volcanic exists, the mafic intrusive typically have blown yields less than 5m^3/h. The rock contacts between mafic intrusive and mafic volcanic yields water in excess of 10m^3/h. The mafic volcanic are recommended to be targeted for any further groundwater exploration project.

There is currently limited hydrogeological or surface water characterisation that has been completed for the site. The current assumption is that groundwater will have a minimal impact on pit inflows and/or pit wall pore water pressures. However, this requires confirmation in subsequent phases of the feasibility studies.

A surface water and groundwater baseline monitoring programme does not appear to have been started at this stage. It is important that ongoing water monitoring networks be established early in the project in order to define a robust baseline.

The estimated project water supply requirement is around 42l/s. An investigation into the scale and cost of a potential groundwater supply bore field was investigated during the Fetekro 2021

PFS, however, insufficient work was undertaken to demonstrate a feasible water supply source and therefore the current base case water supply option is a rainwater storage dam located around 9km from the plant site. This supply option is likely more costly than a groundwater option and may also bring more technical and reputational risks.

11.4.3 Mining Geotechnics

The slope design study was undertaken by Golder in 2020. Saprolite thickness appears minimal and the pit will be formed within competent rock with defined footwall and hangingwall slope design criteria. Caution will be required in the footwall to ensure inter ramp angles do not undercut fabric within the rock which could lead to multi-bench instability. Slope design assumes depressurised conditions and no three-dimensional fault model has been developed (or provided for the Fetekro 2021 PFS). It is critical that such a model is developed, and the presence of faults/shears accommodated within the geotechnical model and design.

Table 11-11: Fetekro Development Property: geotechnical and hydrogeological design considerations

FETEKRO PIT	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
Lafigué	Various Geotechnical assessments completed between 2013 and 2020. Smaller pits using extrapolated criteria.	~ Sap IRA (°)	30.5	~ Sap Thickness (m)	<20
				~ Sap IRA (°)	30
		~ Rock IRA (°)	49.1-52.4	~ Rock Thickness (m)	~290
				~ Rock IRA (°)	50-52.4
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	TBC
				Drainholes	TBC
	Open Pit Design Summary			~OSA -HW (°)	~45
				~OSA -FW (°)	~30
				~Maximum Elevation (m)	390
				~Minimum Elevation (m)	20
				~Max Depth (m)	320

11.4.4 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Fetekro Development Property (Table 11-12) includes 32.0Mt grading 2.07g/tAu and containing 2.1MozAu and comprising all of which is classified as a Probable Ore Reserve. Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 1.5Mt grading 1.78g/tAu, transitional material of 1.0Mt grading 1.72g/tAu and fresh material of 29.5Mt grading 2.10g/tAu.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,500/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 0.34g/tAu to 0.42/tAu.

The Ore Reserve is sensitive to gold price and analysis indicates that the Ore Reserve is sensitive to downward price movements below US$1,375/oz but remains largely the same at prices higher than this. SRK notes that the current long-term gold price as reported in Section 2.3.2 indicates CMF exceeding US$1,400/oz and ranging up to as high as US$1,700/oz to US$1,800/oz. The current pit design supporting the Ore Reserves also includes a total of 0.5Mt grading 2.00g/tAu and containing 32kozAu which reports to the Inferred category but is for the purpose of the LoMp schedule included as waste material.

Table 11-12: Fetekro Development Property: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Probable												
Lafigué o/p	31,977	2.07	2,133	1,479	1.78	84	1,039	1.72	58	29,459	2.10	1,991
Subtotal	**31,977**	**2.07**	**2,133**	**1,479**	**1.78**	**84**	**1,039**	**1.72**	**58**	**29,459**	**2.10**	**1,991**
Ore Reserves												
Lafigué o/p	31,977	2.07	2,133	1,479	1.78	84	1,039	1.72	58	29,459	2.10	1,991
Total	**31,977**	**2.07**	**2,133**	**1,479**	**1.78**	**84**	**1,039**	**1.72**	**58**	**29,459**	**2.10**	**1,991**

11.4.5 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from H2 2023 through calendar 2033 with total material mined of 361.8Mt and comprising open pit ore of 32.0Mt grading 2.07g/tAu at an average stripping ratio of 10.3t_{waste}:t_{ore} (Table 11-13; Table 11-14). Oxide material contributes some 5.4% of total material mined with transitional and fresh material collectively contributing 6.4% and 88.3% respectively. Mining production in 2021 is projected from a single main open-pit and two smaller satellite open pits (Figure 11-6) developed in 8 distinct staged pushbacks prior to planned depletion of the Ore Reserves in 2033.

Total mined material is planned to increase to a maximum of 52Mt in 2024 and thereafter remaining at approximately 50Mtpa other than for 2026 (41Mtpa) and for the production tail from 2030 through 2033. Ore tonnage mined ranges from 2.4Mtp to 4.5Mtpa with the fresh rock component comprising the majority of ore mined from 2025 onwards. RoM grades remain generally range bound between 1.9g/tAu and 2.4g/tAu.

Individual weathering ore types within each deposit are ascribed different cut off grades (Table 10-26), however the mining schedule is largely driven by grade categories: high grade ("**HG**") for all ore greater than 2.0g/tAu; medium grade ("**MG**") for all ore greater than 1.0g/tAu; low grade ("**LG**") for all ore greater than the material type specific cut-off grade.

Accordingly, the stockpiling strategy assumes the development up to four grade categories which are managed at both satellite RoM pads and the Fetekro CIP Plant RoM pad. Table 11-16 presents a summary by deposit of the ore grade categories which indicate that HG and MG together contribute 66% of the tonnage and 88% of the contained gold mined with, LG contributing 34% of the tonnage and 12% of the contained gold mine. Stockpile management over the LoMp indicates that total stockpile volumes remain at less than 3.4Mtpa with the low-grade ore stockpiles contributing the majority of this by measure of both tonnage and gold content.

Mining operating expenditures per deposit are reported in Table 11-17 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$2.83/$t_{mined}$ with expenditures generally increasing over the mine life reflecting the varying haul distances.

Table 11-13: Fetekro Development Property: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
Lafigué o/p	361,808	31,976	329,832	10.3	5.4	6.4	88.3
Total	**361,808**	**31,976**	**329,832**	**10.3**	**5.4**	**6.4**	**88.3**

Table 11-14: Fetekro Development Property: open pit deposits ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Fresh	29,459	2.10	1,991
Laterite	231	2.27	17
Oxide	1,246	1.68	67
Transition	1,039	1.72	58
Total	**31,976**	**2.07**	**2,133**

Table 11-15: Fetekro Development Property: open pit mining start and depletion periods

Deposit	Start	End
Lafigué o/p	2023	2033
Total	**2023**	**2033**

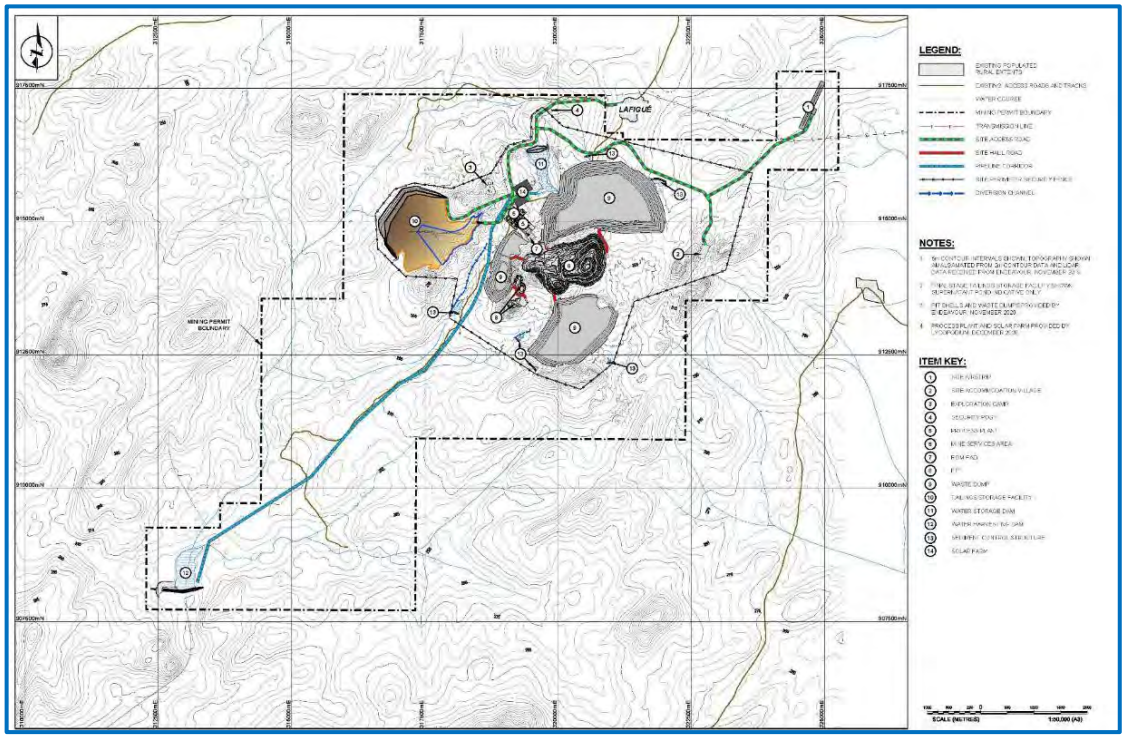
Table 11-16: Fetekro Development Property: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Lafigué o/p	10,585	4.12	1,403	10,567	1.42	483	10,824	0.71	247	-	-	-
Total	**10,585**	**4.12**	**1,403**	**10,567**	**1.42**	**483**	**10,824**	**0.71**	**247**	**-**	**-**	**-**

Table 11-17: Fetekro Development Property: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Lafigué o/p	361,808	2.83	1,023.4
Total	**361,808**	**2.83**	**1,023.4**

Figure 11-6: Fetekro Development Property site layout



11.5 Mineral Processing

The Fetekro Development Property assumes construction of a CIP plant, the Fetekro CIP Plant. The plant flowsheet facilitates processing of both oxide and fresh material; however, the contribution of oxide and laterite ores is limited at less than 5.0%. The assumed nominal design capacity when processing fresh ores was determined at 3.0Mtpa, however additional work completed as part of the Fetekro 2021 PFS, specifically the value engineering assessment exercise indicated potential throughput of 3.3Mtpa which is 10% higher than the current design assumptions when processing 100% fresh ores.

The Fetekro 2021 PFS design criteria, equipment list and the mine plan have been based on a throughput of 3.0Mtpa of fresh ore. At the request of the Group, the 100th percentile (hardest) comminution parameters were used for the modelling and selection of crushing and grinding equipment to provide a conservative comminution circuit design. Grinding circuit design typically utilises the 85th percentile comminution parameters so a high-level exercise was undertaken during the PFS to determine the throughput achievable utilising the selected major comminution equipment with the relaxed comminution parameters. Additionally, a high-level assessment of all major plant equipment (e.g. pumps, motors, etc.) was carried out and

equipment that was required to be upgraded to support the higher throughput rate was identified. The high-level evaluation concluded that the major comminution equipment (crusher and mills) are capable of processing ore at 3.4Mtpa (100% fresh ore) if the 85th percentile comminution parameters are utilised and that the downstream process plant may be capable of processing 3.4Mtpa if selected equipment is upgraded to maintain the required engineering design basis and design margins. Notwithstanding the latter perspective, the Group considers that the revised throughput of 3.3Mtpa is possible without upgrading of any equipment currently selected for the 3.0Mtpa plant.

It is however important to note that no high-pressure grinding roll ("**HPGR**") testwork has been completed on the Lafigué ores at this stage due to the considerable sample mass required. Accordingly, there remains a risk that further testwork completed as part of the feasibility study programme does not confirm the assumed higher throughput when processing 100% fresh ores.

11.5.1 Process Plant Feed

A scouting testwork programme was initiated in 2018 and was undertaken by the Group at ALS Global laboratory in Perth, Western Australia on ten variability and two comminution samples. The ten variability samples covered the three main ore types from the prospect; oxide (three samples), low grade fresh (five samples) and high grade fresh (two samples) ore.

The 2019 testwork programme built on the scouting testwork and involved a detailed metallurgical and comminution testwork programme on 36 variability samples and 12 comminution samples, representative of the 2019 Mineral Resource estimate.

The Lafigué deposit comprises a network of mineralised high-grade shear zones. Visible gold can be observed in these veins. Metallurgical and comminution testwork has been undertaken on representative samples sourced from the expected minable pit based on the July 2019 Mineral Resource estimate. It was recognised that the 2019 resource had upside potential due to the mineralised zone continuing at depth to the south east. Further drilling and geological investigations increased the mineral resource estimate significantly to that summarised in the 2020 Statements.

Whilst testwork has not yet been completed on ore from the expanded resource, it is expected that the metallurgical and comminution characteristics of this material will be similar to the Lafigué ores already tested. Therefore, the available testwork is considered a suitable basis for this pre-feasibility study. To confirm this, additional testwork on ores representative of the additional resource is planned by the Group in H1 2021 with results for all material available for the feasibility study phase.

The key outcomes of the process testwork completed to date as reported in the Fetekro 2021 TR are:

- Comminution testwork results were reasonably consistent with low Axb values and the DWi values high (90th percentile in the JKTech database) for the fresh ores. This indicates that the fresh ore is very competent with a high breakage energy requirement. The Bond Rod mill work index ("**RWi**") and Bond Ball mill work index ("**BWi**") while not as extreme, were still moderately high. The abrasion index is considered low to moderate;
- As per the scouting programme, triplicate gold head assays typically showed significant variation due to the high gravity gold content and silver assays were consistently low;
- There were no deleterious elements for gold leaching present with low levels of base metals, antimony and tellurium. Mercury and arsenic levels were also low and should not present an environmental or occupational health risk in the elution or electrowinning circuits;

- The ore appeared to be relatively insensitive to grind with only a 1% difference in gold extraction over the size range tested. The optimum grind size was confirmed at P80 106µm;
- Gravity gold content was very high and ranged from 25% to 92% with an average of 61%;
- Overall gold extractions were very high for both fresh and oxide ores with an average gravity / leach gold extraction of >97%;
- Gold extraction after gravity removal was essentially complete within 8-12 hours;
- Leach optimisation testing on the master composite samples indicated that high gold extractions were achieved with air only sparging, low cyanide dosing and high fresh ore slurry densities (up to 55% solids w/w). Testwork on oxide ore was conducted at 40% solids w/w;
- Whole of ore leaching (without gravity gold removal) had a much slower leaching rate and overall gold extraction;
- Variability leach testwork on 31 samples achieved >95% gold extraction for all but five samples. Increased cyanide addition and extra leach residence time to 36 hours improved extractions to expected levels;
- Reagent consumption was low. Cyanide consumption for the fresh ore will be 0.13kg/t while oxide requires 0.16kg/t. These figures include a free cyanide excess loss of 100ppm NaCN. Plant lime usage will be 0.17kg/t for the fresh ore while the oxide requires 1.65kg/t;
- On the basis of treating Lafigué fresh and oxide ores via gravity and direct cyanidation, an overall gold recovery of 95.8% was recommended. This recovery is based on the median of the variability testwork results after allowing for the likely soluble gold loss equivalent of 1% Au;
- Rheology testwork indicated that both the fresh and oxide composites had low to moderate viscosities. The extremely high oxide viscosity noted in the 2018 testwork was not present in the 2019 testwork; and
- Engineering parameter testwork was completed and was used for the PFS engineering design.

11.5.2 Flowsheet

The Fetekro CIP Plant will process fresh and oxide ores, however only a minor amount of the latter is assumed to be processed over the LoMp. The fresh and oxide ores have different comminution and material handling characteristics with the fresh ore significantly more competent than the oxide ore. The ore types require different comminution flowsheets, specifically:

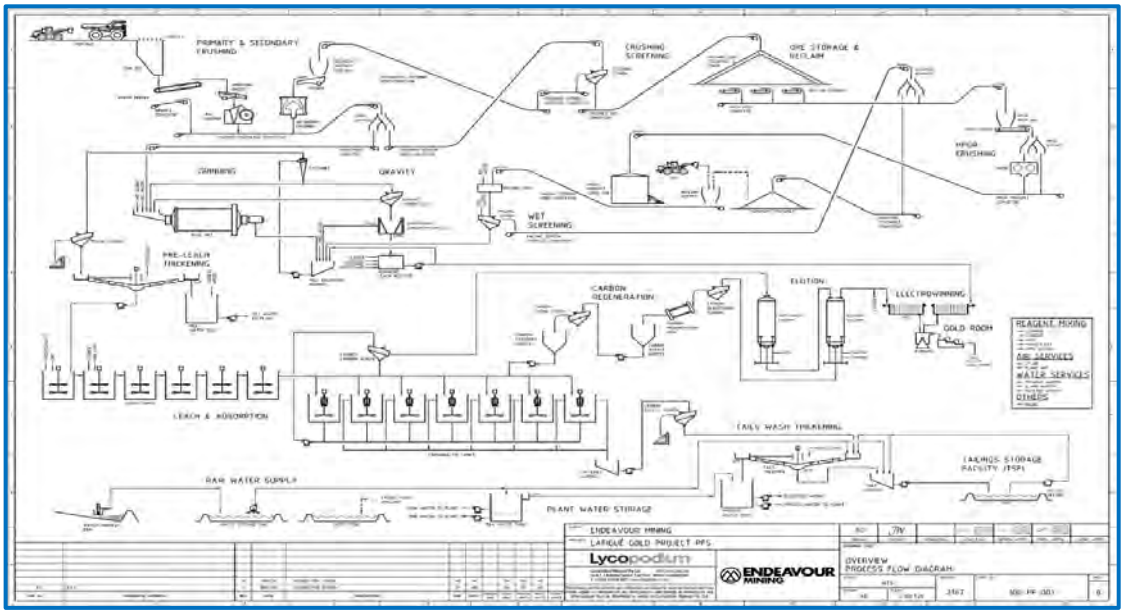
- **Fresh Ore:** Closed circuit secondary crushing with crushed ore storage, closed circuit HPGR crushing with HPGR crushed ore storage and ball milling; and
- **Oxide Ore:** Open circuit primary crushing with direct feeding of the ball mill.

The nominal design capacity was initially assumed at 3.0Mtpa when processing 100% fresh ore and 3.5Mtpa when processing 100% oxide ores. When processing fresh ore, mechanical availabilities of 70% for the closed-circuit secondary crushing plant, 86.7% for the closed circuit HPGR crushing plant 91.3% for the remainder of the plant, supported by crushed ore storage and standby equipment in critical areas is assumed. When processing oxide ore, mechanical availability of 88.0% with direct feed of primary crushed ore to the ball mill. Sufficient automated plant control to minimise the need for continuous operator interface and allow manual override and control if and when required.

The principal constituent parts of the selected process flowsheet comprise:

- Primary jaw crushing to produce a coarse crushed product:
  - Fresh Ore: secondary cone crushing in closed circuit with a dry sizing screen to produce an intermediate crushed product; a live secondary crushed ore stockpile, providing coarse crushed ore storage and reclaim to feed the HPGR crushing circuit; tertiary HPGR crushing in closed circuit with a wet sizing screen with undersize slurry reporting to the milling circuit via the mill discharge hopper,
  - Oxide Ore: direct feeding of primary crushed ore to the ball mill feed chute; and
- Oxide and Fresh Ores:
  - a ball mill in closed circuit with hydrocyclones to produce a grind size of 80% passing (P80) 75µm (micron),
  - gravity concentration and removal of coarse gold from the milling circuit and treatment of gravity concentrate by intensive cyanidation and electrowinning to recover gold to doré,
  - trash screening to remove any wood trash or oversize material prior to cyanidation,
  - pre-leach thickening of the trash screen underflow to produce a higher solids concentration leach feed to reduce leach and adsorption tankage and reagent requirements,
  - a leaching circuit to leach gold from the milled ore with one pre-leach oxidation tank and five leach tanks providing a total of 22 hours (oxide ore) to 36 hours (fresh ore) residence time,
  - a CIP circuit to adsorb leach solution gold onto activated carbon in seven tanks operating in carousel,
  - a split AARL elution circuit, electrowinning and gold smelting to recover gold from the loaded carbon to produce doré,
  - tails wash thickening of the CIP tails to produce a higher solids concentration tails and to recover process water and cyanide from the tails slurry.

Figure 11-7: Fetekro CIP Plant: simplified flowsheet



11.5.3 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput of 3.4Mtpa in 2024, 3.5Mt in 2025 thereafter reducing to 3.3Mtpa for the remainder of the operating life

through to depletion of Ore Reserves in 2033. Total ore processed (Table 11-18) is reported at 32.0Mt grading 2.07g/tAu with weathering type (Table 11-19; Table 11-20) ores contribution by tonnage reported at 4.6%, 3.2% and 92.1% for oxide, transitional and fresh ores. The weighted average metallurgical recovery projected over the LoMp is estimated at 94.7% (Table 11-21) with recoveries for oxide, transitional and fresh ores reporting 96.3%, 94.4% and 94.6% respectively.

The proportion of fresh ore processed increases from 80% in 2024 through to 100% in 2026 and largely remaining at this level prior to depletion of the Ore Reserves in 2033. Over the LoMp period metallurgical recoveries are assumed to continue to range between 94.6% and 95.0% with the lower recoveries reflecting processing of the fresh ores.

Operating expenditures are derived based on assumptions which vary by deposit and in certain instances by weathering type as reported in Table 11-22. The weighted average LoMp processing costs is forecasted at US$9.22/$t_{milled}$.

Table 11-18: Fetekro Development Property: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Fresh	24,858	2.28	1,825	4,601	1.12	166	29,459	2.10	1,991
Laterite	184	2.31	14	48	2.12	3	231	2.27	17
Oxide	938	1.73	52	309	1.55	15	1,246	1.68	67
Transition	999	1.71	55	40	1.99	3	1,039	1.72	58
Total	**26,979**	**2.24**	**1,946**	**4,997**	**1.16**	**187**	**31,976**	**2.07**	**2,133**

Table 11-19: Fetekro Development Property: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Lafigué o/p	31,976	2.07	2,133	1,478	1.78	84	1,039	1.72	58	29,459	2.10	1,991
Total	**31,976**	**2.07**	**2,133**	**1,478**	**1.78**	**84**	**1,039**	**1.72**	**58**	**29,459**	**2.10**	**1,991**

Table 11-20: Fetekro Development Property: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
Lafigué o/p	1,478	1,039	29,459	31,976	4.6	3.2	92.1
Total	**1,478**	**1,039**	**29,459**	**31,976**	**4.6**	**3.2**	**92.1**

Table 11-21: Fetekro Development Property: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
Lafigué o/p	81	54	1,883	2,019	96.3	94.4	94.6	94.7
Total	**81**	**54**	**1,883**	**2,019**	**96.3**	**94.4**	**94.6**	**94.7**

Table 11-22: Fetekro Development Property: operating expenditures

Deposit	Processed (kt)	Opex (US$/t)	(US$m)
Lafigué o/p	**31,976**	**9.22**	**294.9**
Total	**31,976**	**9.22**	**294.9**

11.6 Waste Management

The waste management facilities assumed for the Fetekro Development Property assumes construction of a single TSF and three waste rock dumps. The facilities have been designed to pre-feasibility study level and are reported upon in the Fetekro 2021 PFS. Further work is planned in 2021 to advance the study to feasibility study level.

11.6.1 Tailings Storage Facility

The TSF has been designed by Knight Piésold with an initial starter cell of 4.8Mt (18-month capacity) and a final capacity of 32.8Mt at an average annual throughput rate of 3.3Mtpa. Subsequently, the TSF will be constructed in annual raises to suit storage requirements, however this may be adjusted to suit mine scheduling during the operation. The TSF has been

designed to ANCOLD consequence category of 'High B'.

The TSF will comprise a HDPE lined cross-valley storage facility formed by multi-zoned earth fill embankments, comprising a total footprint area (including the basin area) of approximately 114ha for the Stage 1 TSF increasing to 200ha for the final TSF. The TSF is designed to accommodate a total of 32.8Mt of tailings. Downstream raise construction methods will be utilised for all TSF embankment lifts.

A leakage collection and recovery system will be installed beneath the basin composite liner to reduce water pressure build-up on the HDPE liner. Solution recovered from the underdrainage system and LCRS will be released to the top of the tailings mass via submersible pump, reporting to the supernatant pond.

Supernatant water will be removed from the TSF via submersible pumps located within a series of decant towers located within the eastern valley within the TSF basin. Solution recovered from the decant system will be pumped back to the plant for re-use in the processing circuit. An operational emergency spillway will be available at all times for each cell during TSF operation. The TSF is designed to hold the tailings plus the design rainfall conditions, and thus has sufficient storm water storage capacity for all design storm events and rainfall sequences.

A total of two groundwater monitoring stations will be installed downstream of the TSF to facilitate early detection of changes in groundwater level and/or quality, both during the operating life and following decommissioning. Standpipe piezometers will be installed in the TSF embankment to monitor pore water pressures at several locations within the embankments to inform stability assessments. Survey pins will be installed at regular intervals along the TSF embankment crest in order to monitor embankment movements and assess effects of any such movement on the embankment.

The closure strategy comprises; development of shallow downstream dam slopes during operations (1V:3.5H overall slope); a final soil cover (design subject to ongoing testing and review); and, a closure spillway. In the capital cost estimation, a total of US$16.6m has been assigned to development of the starter TSF (or US$3.5/t of tailings deposited in the first 18 months of operations).

11.6.2 Waste Rock Dumps

The Fetekro 2021 PFS assumes construction of three waste rock dumps including the North WRD, the South WRD and the West WRD for storage of a total tonnage placed of 328.8Mt.

11.7 Infrastructure

The overall site development plan includes the process plant, tailings storage facility, accommodation camp, roads, airstrip, mine services area, mine open pit and mine waste dump.

The process plant is located immediately north of the open pit, with the TSF to the west. The main access road approaches the site from the north and the layout provides easy access for personnel and material movements.

The site as a whole will be fenced to clearly delineate the mine area, prevent animal access and deter access by unauthorised persons. Road access into the fenced area will be through a manned checkpoint. Security fencing will surround the accommodation camp and general site infrastructure. Monitored high security fencing will surround the process plant.

The total capital expenditure estimate for construction and commissioning of the Fetekro Development Property is estimated at US$338.0m which includes:

- US$233.0m for the principal construction packages: process plant (US$74.4m); reagents and plant services (US$14.4m); infrastructure (US$70.4m); mining (US$50.3m); and

construction distributables (US$23.5m);

- Management costs of US$24.5m;
- Owners project costs of US$34.2m;
- Working Capital injection of US$4.8m;
- Contingency of US$37.7m; and
- Feasibility Study costs of US$3.8m.

11.7.1 Access and Transportation

An upgrade to the existing road / track from Bounadougou on the B412 has been allowed for in the estimate. This upgraded all-weather unsealed road will track south-east for approximately 11km before turning due south for a further 4km to the village of Lafigué. It is understood that the access road can become inundated in the wet season and a full survey of the route will be undertaken by the Group as part of the Fetekro 2021 FS.

From Lafigué, a new all-weather unsealed access road will be constructed for 4.5km to the plant site. This road will be extended 4.4km to the site accommodation and the airstrip.

Knight Piésold completed a PFS level design for the non-instrument design (daytime only usage) site. The airstrip design was completed using a Pilatus PC-12 as the design aircraft with a total runway length of 800m.

11.7.2 Power Supply and Distribution

The current project development scopes assumes implementation of a hybrid grid/solar option. The grid connection will be achieved via a 28km OHPL from site to the La Société des Energies de Côte d'Ivoire ("**CI-E**") supply system 225kV bus at Dabakala Substation. CI-E owns the National Interconnected Transmission System in Côte d'Ivoire, and Compagnie Ivoiriennne d'Electricite ("**CIE**") manages the electricity generation and transmission network for the Government of Côte d'Ivoire.

The Fetekro CIP Plant is estimated to have a connected load of approximately 23.4MW with a Maximum Demand of 16.6MW and an expected energy consumption of 133GWh per annum. The grid supply will be supplemented with a 7MW solar PV located on the project site.

11.7.3 Water Supply and Water Management

Based on currently available information potential yields from fractured rock aquifers are expected to be low. Work is ongoing to explore the potential for underground water sources to supply and/or supplement the project requirements.

Water requirements will be met from a WHD as the primary water collection source. The planned structure will be designed and capable of storing up to 0.5Mm^3 of water at the maximum operating level. The design intent of the WHD is that the reservoir is frequently pumped to a WSD during each wet season, with a view to filling the WSD reservoir to its maximum storage level prior to each dry season. The WHD has a catchment area of 40,593ha, and when the pond volume is at maximum level the reservoir surface area will be 25ha.

The WSD is the primary storage pond for clean process water on site and is able to store up to 1.1Mm^3 of water at its maximum operating level. The WSD has a catchment area of 219ha, and when the pond volume is at maximum level the reservoir surface area will be 20ha.

The management of water is a critical aspect of the design for the Fetekro Development Property. In order to understand the flow of water around the site, a water balance model was developed. The water balance modelling included the TSF, WHD, WSD and process plant, with a view to determining site water storage requirements. Design wet conditions were

modelled to ensure that the TSF is designed with sufficient storage capacities to comply with design criteria. Key findings from the water balance modelling are as follows:

- The TSF is designed to hold the tailings plus the design rainfall conditions, and thus has sufficient storm water storage capacity for all design storm events and rainfall sequences;
- The supernatant pond volume peaks in September each year (at the end of the wet season), before returning to the minimum operating pond volume during the subsequent dry season;
- Decant return / process water shortfall is expected to occur under average and design dry climatic conditions;
- All make-up water requirements can be provided by the WSD reservoir, supplemented by the WHD for design dry conditions. It is necessary that the WHD and WSD are completed early to allow a full wet season for filling prior to commissioning;
- A WSD storage capacity of 1Mm^3 is required to provide sufficient make-up water, supplemented by an abstraction rate of 210l/s from the WHD; and
- A WHD capacity of 0.5Mm^3 is required to reduce the risk of shortfalls under design dry conditions.

11.7.4 Hydrocarbon Storage

A vendor supplied fuel storage and pumping system will be supplied as part of the fuel supply contract. The fuel farm will include an integrated fire control system. A fully bunded storage tank will be allowed to service the process heating requirements.

11.8 Human Resources

The total human resources compliment for the Fetekro Development Property is estimated at 1,500 of which 395 relate to the mining contractor.

11.9 Environmental and Social Management

11.9.1 Environmental Authorisations

LMCI retained services of Cabinet ENVAL Côte d'Ivoire ("**ENVAL**") to undertake studies and environmental research as part of the Fetekro Development Property. These studies began in November 2019 and resulted in the publication of the draft ESIA at the end of September 2020 with the final version released in February 2021.

The ESIA was submitted to a government committee for validation as of 20 January 2021. The ESIA was approved on 01 February 2021 by the Ministry of Environment. It is valid for three years and is a supporting document in LCMI's exploitation permit application. The approval (Arrêté) contains a number of obligations with which the Company must adhere to going forward, including the following:

- The Company must adhere to the environmental and social management plans outlined in the ESIA; and
- The Environment Agency – L'Agence Nationale de l'Environnement - is the responsible authority for ensuring compliance with environmental requirements. This includes auditing at least three years from commissioning.

All phases of development on the property will be subject to additional environmental regulations related to various concerns, such as maintenance of air and water quality standards, land reclamation, waste disposal.

11.9.2 Environmental and Social Matters

Environmental and Social Setting

The Lafigué deposit is located in the Bandama Valley, characterised by a generally flat topography with a series of small hills with elevations ranging from 200masl to 400masl and the deposit area is traversed by a north-south striking valley.

The Hambol Région is drained by three main rivers and their tributaries: Bandama blanc, N'zi and Comoé rivers. The Fetekro Permit is entirely within the catchment of the N'zi River basin with ephemeral streams and perennial rivers predominantly flowing into the N'zi River to the south. The elevated ground surrounding the project area is the source of the majority of the streams and rivers in the permit area. These water courses flow in all directions away from the project site, mainly towards the southwest but with minor watercourses flowing to the northeast where the project is situated upstream of many of the villages noted below. The local communities use groundwater sources for their water supply. The watercourses are significantly disturbed by artisanal mining activities.

There is a high level of biodiversity in the area of the project. The vegetation is typical of tree and shrub savannah with large areas transformed by human activities. The Nangbyon Forest protected area is located in the far southwest of the exploration permit area. It is categorised as 'Classified Forest' according to the World Database of Protected Areas ("**WDPA**"). The forest is located some 8km southwest of the main planned mine infrastructure but adjacent to the planned water harvesting dam.

Livelihoods in the area are mainly based on agriculture and artisanal mining. The agricultural activity is dominated by cotton and cashew plantations, shea butter trees, peanuts, rice, yam and corn cultures. Cattle farming is also undertaken in the area.

The region is also home to various ethnic groups from the Côte d'Ivoire and non-nationals nationals of ECOWAS countries, including Burkinabés, Malians and Guineans and Beninese.

The proposed mine site is approximately 3km from the main village of Lafigué. The ESIA states that there are 8 villages that will be immediately affected by the development, including Lafigué, Lonyéné, Oualéguéra, Sokorogo, Bobosso, Tolédougou, Founessedougou and Gboli-Carrefo. According to an ESIA survey, these villages contain a combined total of approximately 800 people, with 240 (30%) women and 560 (70%) men.

The infrastructure and amenities are poorly developed in the villages surrounding the mine area, including roads and access routes, healthcare and electricity. The city of Dabakala is the nearest sizeable settlement where basic services and supplies are available. Specialised services and equipment have to be sourced in Abidjan or Yamoussoukro. Mining manpower would likely be a combination of local and expatriate personnel.

Approach to Environmental and Social Matters

The ESIA contains a suite of generic framework environmental and social management plans.

Resettlement

The lands are subject to customary rights, in agreement with the customary authorities, landowners, administrative authorities, executives and elected officials according to a protocol negotiated by the Company with the communities. The farms which will be affected will be compensated, according to the official scales of the Ministry of Agriculture. In terms of employment, according to the ESIA, unskilled jobs will primarily be reserved for local populations.

The acquisition of the land will result in the loss of the customary right of use of the land within the developed area. The Company has identified a number of residential properties along with agricultural land located inside the planned operational areas that are likely to require demolition and these affected people resettled. The ESIA states that a 'Plan d'Action de Réinstallation'

("**PAR**") or resettlement plan must be developed prior to commencing operations.

Other Issues

- **Illegal Mining:** The area has a large population (ESIA states 'thousands') of illegal artisanal miners using simple processing methods to recover gold in small-scale workings and streams. In the ESIA, the Company stated that dismantling of these illegal mining camps will provide an opportunity to "*strengthen ties with the authorities*" and "*galvanise interest in the Project from young people*";
- **Community expectations:** During community engagement sessions, the key issues with respect to the local population include rapid and effective implementation of the project; speed in the compensation process; extension of the electricity network and compensation for destroyed property (resettlement). The Group will need to prioritise the local communities during commissioning and construction to ensure the development maintains social licence to operate ("**SLO**");
- **Sacred sites:** The ESIA documents that a number of sites sacred to local communities are located in the area. It is imperative the Group engages with the communities to ensure all sacred sites are located and consulted with to ensure sites are avoided or moved if possible;
- **Groundwater:** The local communities use groundwater wells for water supply. The use of groundwater by the Group therefore requires strict control and monitoring both for water level and contamination;
- **Acid rock drainage:** The ESIA states that inadequate work has been completed to understand the acid rock drainage and metal leaching potential of the mineralised material. This work will form part of the Fetekro 2021 FS and the ESIA and/or environmental and social management plans should be updated to reflect the findings;
- **Infrastructure:** At present the quality of infrastructure and amenities is considered poor; this includes roads and access routes, healthcare and electricity. A significant investment in local infrastructure is therefore required prior to commencing operations;
- **Loss of biodiversity:** The ESIA states that a number of endangered or threatened species of plants and animals were identified during the biodiversity studies that may require monitoring; and
- **Climate change adaptation and greenhouse gas emissions:** The ESIA does not state any impacts of the mine on climate change adaptation or the production and release of greenhouse gases. There is one alternative scenarios of project design aimed at reducing GHG, as required by International Finance Corporation performance standards number 3, which is a solar power station.

11.9.3 Mine Closure

The ESIA has a preliminary rehabilitation and closure plan including the following key activities:

- Cleaning of the operating sites;
- Dismantling and removal of mining facilities;
- Treatment and rehabilitation;
- Post-rehabilitation monitoring;
- Assessment of possibilities of conversion to a new land use; and
- Official release of the site to the competent authorities.

The ESIA contains a total preliminary estimate of closure costs including rehabilitation and monitoring of US$5.1m. Almost half of these costs are attributed to transport and spreading of

topsoil for re-vegetation. The costs include deposition of funds in an internationally-recognised financial institution from the commencement of mining activities.

Notwithstanding the above, the Fetekro 2021 TR includes a total closure cost estimate of US$35.0m. Whilst this is not accompanied with any further granular detail, the estimate is considered appropriate as a preliminary estimate when compared with other benchmarks. In addition to the mine closure costs, the retrenchment costs are estimated at US$9.0m which provides for a total Environmental and Social Liability estimate of US$44.0m.

11.10 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to the Fetekro Development Property with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 11-23; Table 11-24). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 11.4 and Section 11.5 of this CPR which projects processing of a total of 32.0Mt grading 2.07g/t with weighted average recovery of 94.7% to produce 2.0Moz of gold. The LoMp assumes construction activity commencing in Q4 2021 with the mainstay of growth capital expended in 2022 and 2023. Mining production is planned to commence in Q4 2023 and processing operations in 2024, continuing through to depletion of Ore Reserves in H1 2033.

Production and Commodity Sales

The production profiles are based on the current Fetekro 2021 PFS which assumes depletion of the Ore Reserves reported at 31 December 2020. Total gold poured is determined at 2,019koz and inclusion of GIC and FG adjustments results in total sales of 2,018koz. Annual gold production is planned to range between 200koz and 240koz.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Fetekro Development Property is based on a combination of first principle estimates derived from cost models for primary production and support function activities and in addition the detailed budgets developed for calendar 2021. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$2.83/$t_{mined}$ for open pit operations and US$9.22/$t_{milled}$ for processing operations;
- Site General and Administration annual operating expenditures assumed at US$18.6m in 2024, thereafter remaining constant over the LoMp period and reducing to US$9.3m in the final year of operations respectively;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes

these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2024 the cost allocation is US$4.0m and the LoMp weighted average unit rate per tonne milled is estimated at US$1.11/t;

- Consumable commodity prices inclusive of base prices, transport costs and duties comprising for primary consumables as incorporated into the Fetekro 2021 PFS;
- Royalties determined in accordance with the sliding scale referenced in Section 10.2, other related third-party royalties (the Adamus Royalty as defined herein) and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.00/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Côte d'Ivoire which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures totalling US$338.2m all of which is related to the construction and commissioning of the mining and processing operations;
- Sustaining capital expenditures of US$38.4m which includes TSF construction and ongoing embankment lifts, allowances for road maintenance, major shutdown maintenance and repair crew costs, pit dewatering, light vehicle replacement costs and administrative capital budget;
- Capitalised waste estimates as reference above and amounting to a total of US$134.0m over the LoMp; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$44.0m.

Table 11-23: Fetekro Development Property Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	361,808	-	-	15,545	51,609	50,243	41,412	49,287	49,776	51,166
Waste	(kt)	329,832	-	-	15,210	47,077	46,317	37,522	46,845	45,669	48,009
Ore	(kt)	31,976	-	-	334	4,532	3,926	3,890	2,442	4,106	3,157
	(g/tAu)	2.07	-	-	1.53	1.76	1.58	2.13	2.56	2.06	2.49
	(kozAu)	2,133	-	-	16	257	199	267	201	272	253
Stripping Ratio	(t_{waste}:t_{ore})	10.3	-	-	45.5	10.4	11.8	9.6	19.2	11.1	15.2
Ore Processed	(kt)	31,976	-	-	-	3,424	3,530	3,300	3,319	3,300	3,300
	(g/tAu)	2.07	-	-	-	1.96	1.90	2.39	2.07	2.39	2.39
	(kozAu)	2,133	-	-	-	216	216	254	221	254	254
Recovery	(%)	94.67	-	-	-	94.88	94.97	94.60	94.61	94.60	94.60
Production	(kozAu)	2,019	-	-	-	205	205	240	209	240	240
Poured	(kozAu)	2,019	-	-	-	205	205	240	209	240	240
Sales											
Gold	(kozAu)	2,018	-	-	-	205	205	240	209	240	240
Operating Expenditure											

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Mining	(US$m)	(1,023.4)	-	-	-	(127.01)	(137.97)	(117.10)	(143.76)	(153.80)	(145.18)
Processing	(US$m)	(294.9)	-	-	-	(29.70)	(30.83)	(31.08)	(31.07)	(31.08)	(31.08)
SG&A	(US$m)	(176.5)	-	-	-	(18.58)	(18.58)	(18.58)	(18.58)	(18.58)	(18.58)
CG&A	(US$m)	(35.5)	-	-	-	(3.90)	(4.07)	(5.01)	(5.10)	(3.36)	(3.69)
Realisation	(US$m)	(6.1)	-	-	-	(0.62)	(0.62)	(0.72)	(0.63)	(0.72)	(0.72)
Capitalised Waste	(US$m)	133.6	-	-	-	0.41	15.98	-	63.16	10.24	43.82
Total	**(US$m)**	**(1,402.7)**	**-**	**-**	**-**	**(179.40)**	**(176.08)**	**(172.48)**	**(135.98)**	**(197.29)**	**(155.42)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(338.2)	(14.19)	(196.49)	(127.57)	-	-	-	-	-	-
Sustaining	(US$m)	(38.4)	-	-	-	(3.15)	(3.60)	(3.86)	(4.11)	(4.37)	(4.37)
Capitalised Waste	(US$m)	(134.0)	-	-	-	(0.82)	(15.98)	-	(63.16)	(10.24)	(43.82)
Environmental Closure	(US$m)	(44.0)	-	-	-	-	-	-	-	-	-
Other	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(554.6)**	**(14.19)**	**(196.49)**	**(127.57)**	**(3.96)**	**(19.58)**	**(3.86)**	**(67.27)**	**(14.61)**	**(48.18)**

Table 11-24: Fetekro Development Property Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	25,678	17,549	9,299	245	-	-	-	-	-	-
Waste	(kt)	21,145	14,499	7,417	122	-	-	-	-	-	-
Ore	(kt)	4,533	3,051	1,882	123	-	-	-	-	-	-
	(g/tAu)	2.16	1.64	2.96	3.10	-	-	-	-	-	-
	(kozAu)	315	161	179	12	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	4.7	4.8	3.9	1.0	-	-	-	-	-	-
Ore Processed	(kt)	3,300	3,300	3,380	1,823	-	-	-	-	-	-
	(g/tAu)	2.26	2.04	1.96	0.84	-	-	-	-	-	-
	(kozAu)	240	217	213	49	-	-	-	-	-	-
Recovery	(%)	94.60	94.60	94.60	94.60	-	-	-	-	-	-
Production	(kozAu)	227	205	201	47	-	-	-	-	-	-
Poured	(kozAu)	227	205	201	47	-	-	-	-	-	-
Sales											
Gold	(kozAu)	227	205	201	47	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(87.19)	(61.50)	(40.40)	(9.44)	-	-	-	-	-	-
Processing	(US$m)	(31.08)	(31.08)	(31.51)	(16.46)	-	-	-	-	-	-
SG&A	(US$m)	(18.58)	(18.58)	(18.58)	(9.29)	-	-	-	-	-	-
CG&A	(US$m)	(4.51)	(2.29)	(2.65)	(0.89)	-	-	-	-	-	-
Realisation	(US$m)	(0.68)	(0.62)	(0.60)	(0.14)	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(142.03)**	**(114.06)**	**(93.74)**	**(36.22)**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(4.37)	(3.86)	(4.54)	(2.15)	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	-	-	-	(16.50)	(22.00)	(5.50)	-	-	-	-
Other	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(4.37)**	**(3.86)**	**(4.54)**	**(18.65)**	**(22.00)**	**(5.50)**	**-**	**-**	**-**	**-**

11.11 Risks and Opportunities

The key **risks** relating to Fetekro Development Property are:

- **Geological Modelling and Mineral Resource:** Based on a visual assessment of the 26 mineralisation domains in the context of the raw assay data, the trend and geometry of the estimation domains appears to be reasonable. Mineralisation domains could be improved, in part, by using implicit modelling techniques to produce slightly more geologically reasonable geometries in 3D space.

  Based on the interval lengths of the raw assay samples, the selected compositing interval is considered appropriate for grade estimation purposes and capping analysis indicates the chosen capping levels adequately restrict the influence of discontinuous high-grade samples. In some domains where a visual assessment of high-grade samples indicates a degree of continuity (i.e. a high-grade shoot or vein), a distance restriction function may prove a more appropriate method for restraining the volumetric influence of these samples in the estimate, whilst retaining representation of the tenor of such localised features in the model.

  The block sizes and estimation parameters utilised appear to be broadly appropriate in the context of the data spacing, modelled variograms and geological trends. Notwithstanding this, Kriging Neighbourhood Analysis may provide additional insight to optimise search parameters in future iterations of the model. Overall, the block estimates validate well against the input composite data. However, in a limited number of localised cases, there is potential for high sample grades to overinfluence a relatively large volume in the model (i.e. '*high grade smearing*') where the model would likely benefit from the implementation of a

high-grade distance restriction during grade interpolation. In other instances, block grades increase away from drillholes, and towards domain edges, indicating either these blocks have been influenced by samples in a nearby domain (i.e. '*soft boundaries*'), or that refinements to the larger (second pass) search ellipse and sample selection criteria may be required.

The classification of the block model (Indicated and Inferred Mineral Resource categories) are broadly appropriate in the context of the data quantity/ quality, and the associated understanding of geological and grade continuity. Slight improvements could be made in the delineation of contiguous regions of the model broadly satisfying the classification criteria, and the exclusion of individual, or small areas of blocks which have been classified independently of the wider domain or region of the model;

- **Process throughput:** the current LoMp assumes increased process throughput to 3.3Mtpa compared with the nominal design capacity of 3.0Mtp for processing 100% of fresh ore feed which is based on certain assumptions regarding equipment performance. This assumes that the plant performance is reflective the uppermost benchmark assumptions and as such remains a risk specifically for processing above 3.0Mtpa through the planned plant equipment down-stream of the comminution circuits. Furthermore, it has not yet been possible to secure sufficient material for HPGR testing. These items amongst other aspects are planned to be further assessed during the Fetekro 2021 FS;
- **Process Recovery:** the assumed recoveries are based on testwork completed on the preliminary 2019 Mineral Resources and do not cover the expanded Mineral Resource as reported in the 2020 Statements. Accordingly, pending completion of further testwork as planned for the Fetekro 2021 FS, there remains a risk that this assumption is not supported; and
- **Project Development Risk:** the LoMp as reported herein is based on the results of the Fetekro 2021 PFS and further work is planned to advance this to feasibility study level. Accordingly, there remains a risk that collation of additional site-specific information and furthering the technical studies to feasibility study level may result in assumptions which are different from that presented herein.

The key **opportunities** relating to Fetekro Development Property are largely related to the completion of further exploration within the Fetekro permit. To date, only a small portion of the Fetekro Permit has been explored, as the priority has been the Lafigué deposit, which remains open at depth and along strike. Several additional exploration targets have been identified within 10km from Lafigué, which have had limited drilling of just 7,050m. An exploration program of US$7m is budgeted for 2021.

12 KALANA DEVELOPMENT PROPERTY

12.1 Introduction

The following sections includes discussion and comment on the technical and economic aspects pertaining to: background information; geology and Mineral Resources; mining and Ore Reserves; mineral processing; waste management; infrastructure; human resources; occupational health and safety; environmental and social management; technical-economic parameters; risks and opportunities.

Furthermore, it should be noted that the assumptions regarding the commencement of capital investment as reported herein is based on the earliest start date following completion of the Kalana 2021 Feasibility Study (the "**Kalana 2021 FS**") and assuming that the appropriate financing could be secured timeously. Accordingly, it should be noted that the group has not yet approved construction of the project and as such the assumed start dates as considered herein are subject to change.

The current Mineral Resource and Ore Reserve Statements as reported for the Kalana Development Property are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources and Ore Reserves as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Group's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

12.2 Mineral Asset Background

The Kalana Development Property is currently the subject of a recently completed pre-feasibility study (the "**Kalana 2021 PFS**") and assumes construction of an open pit gold mine processing through a 3.0Mtpa carbon-in-leach ("**CIL**") process plant (the "**Kalana CIL Plant**") when processing 100% fresh ore and 3.7Mtpa when processing 100% oxide ore. The details of the Kalana 2021 PFS are summarised in the *"Kalana Gold Project Pre-Feasibility National Instrument 43-101 Technical Report"* (the "**Kalana 2021 TR**").

The current LoMp as reported herein is limited to depletion of the Ore Reserves (including historical tailings) from 2023 through 2034. Total material mined is planned to peak at 30Mt and remain at this level until 2030, thereafter declining as production tails prior to planned depletion in 2034. Total ore process throughput ranges from 3.0Mtpa to 3.8Mtpa and generally reduces from 2024 onwards as the proportion of fresh ore processed increases up to 90% by 2028 and from 2030 onwards remains at the fresh ore capacity through to depletion of the Ore Reserves. Total ore processed as reported in the Ore Reserves amounts to 35.6Mt grading 1.60g/tAu and total gold production is estimated at 1.7Moz attained at a weighted average metallurgical recovery of 90.5%.

Annual gold production attains a peak in 2024 (240koz) thereafter reducing to 150koz which is maintained to 2029, then declining as production tails prior to depletion. Weighted average AISC is forecasted at US$917/ozAu. Total capital expenditure comprising growth (including non-sustaining) and sustaining capital is estimated at US$355.3m with mine closure costs (inclusive of retrenchment) estimated at US$35.0m. The mining operations are assumed as contractor for the duration of operations.

Location, Access and Infrastructure

The Kalana Development Property is located at latitude 10°47'34" north and longitude 08°12'03" west in the Gouandiaka commune (municipality) of the Sikasso Region of

southwestern Mali, near the border with Guinea. The Kalana Development Property is located 250km south of Bamako, the capital city of Mali. Mali is a land-locked country in West Africa, and is bordered to the east by Niger, to the north by Algeria, to the west by Mauritania and Senegal, and to the south by Guinea, Cote d'Ivoire and Burkina Faso. The Kalana Development Property is situated south of the Kodieran Gold Mine and proximal to Kalana town.

Access to the project area from Bamako is via the RN7 and RN8 sealed highways for approximately 240km, and a sealed spur road for the last 10km. The main deposit, Kalana, is located near the centre of the northern part of the project area and is within one kilometre of Kalana town. The satellite deposit of Kalanako is located three kilometres northeast of the Kalana deposit. The Kalana Development Property also includes two historical tailing storage facilities which are planned to be reprocessed as part of the current LoMp.

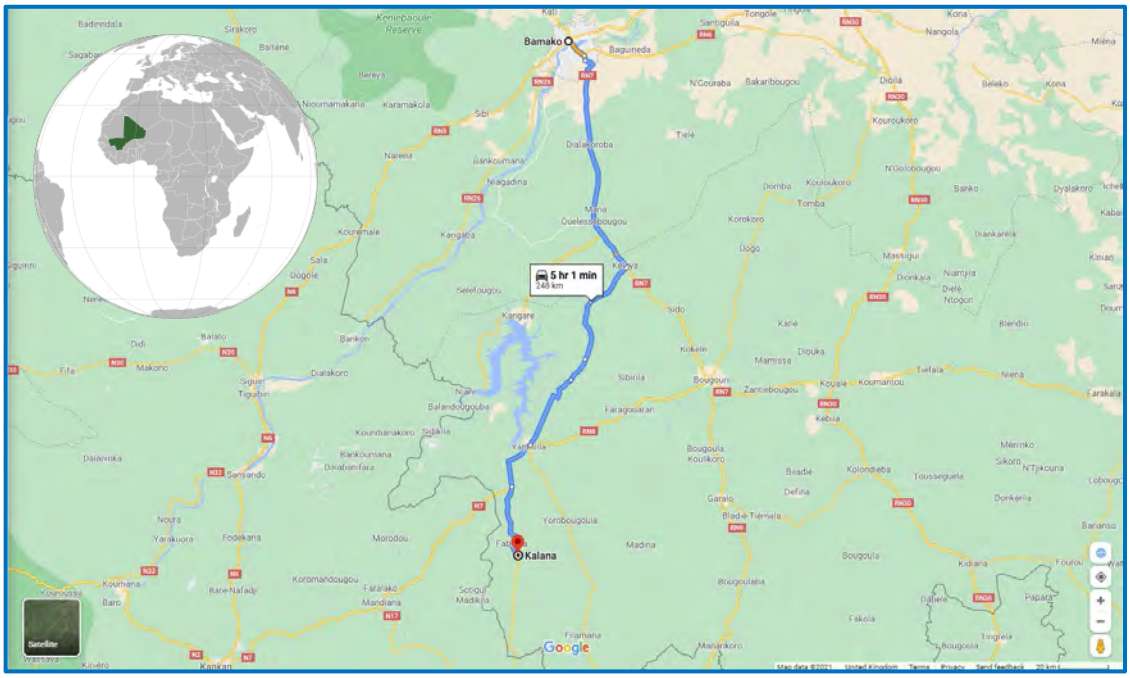
Kalana town has a population of 14,000 people, with access to electric grid power, a potable water supply system, medical and schooling facilities. Water is available from underground sources for mining operations with excess water from the underground workings discharged. Water for community consumption is supplied by community pumps and boreholes. Power is supplied through Mali's national power grid along an OHPL.

Physiography and Climate

Mali contains primarily savannah in the south and flat to rolling plains or high plateaus (200m to 500m in elevation) in the north. There are rugged hills in the north-east with elevations of up to 1,000m. The topography within the project area undulates between 350mamsl and 440mamsl. Vegetation within the project area is characterised as sub-tropical, (the Sudanian Savannah) and characterised by the coexistence of trees and grasses indigenous to the area.

The project is located in a sub-tropical climate. The dry season occurs between October and April with most of the rainfall during July, August and September. Annual rainfall at Kalana is between 1,000mm and 1,200mm. Temperatures range from 20°C to 28°C in the cooler months and 15°C to 37°C in the hotter months. The operating season for the Kalana Development Property is all year round (subject to an average of 12 days lost per year due to rain and weather-related delays).

Figure 12-1: Kalana Development Property location map



Ownership, Mineral, Mining and Exploration Rights

The Kalana Development Property comprises of one (387.0km^2) exploitation permit (the "**Kalana Licence**") registered to, the Group's indirect subsidiary, Société des Mines d'Or de Kalana ("**SOMIKA**") and two permits (the "**Kalako West Permit**" and the "**Fougadian Permit**") held by Avion Mali West Exploration SA ("**Avion Mali West**") (Table 12-1). The Kalana Licence is an exploitation and exploration permit that was derived from legislation passed to enable the Soviet Union-aided state company La Société de Gestion et d'Exploration des Mines d'Or et de Kalana ("**SOGEMORK**") to develop the Kalana Mine in the late 1960's.

The Kalana Licence granted to SOGEMORK was transferred to Ashanti Goldfields Company Limited ("**Ashanti**") on 30 November 1995; in April 2003, it was transferred to Avnel Gold Mining Limited ("**Avnel**") with the tenement simultaneously reinstated for a new term of 30 years. SOMIKA was formed on 23 July 2003 and the permit transferred by Avnel to SOMIKA; SOMIKA is owned 80% by Avnel and 20% by the Government of Mali ("**GoM**"). In September 2017, the Group acquired Avnel.

The Kalana Licence confers the right to exploit and explore for gold and silver for a period of 30 years. If the exploitation of the mineral deposit or subsequent mineral finds are not completed at the end of the 30-year period, the permit may be renewed at the discretion of the GoM, and on the terms negotiated at such time, for two additional 10-years terms until the mineral reserves are depleted within the boundaries of the permit.

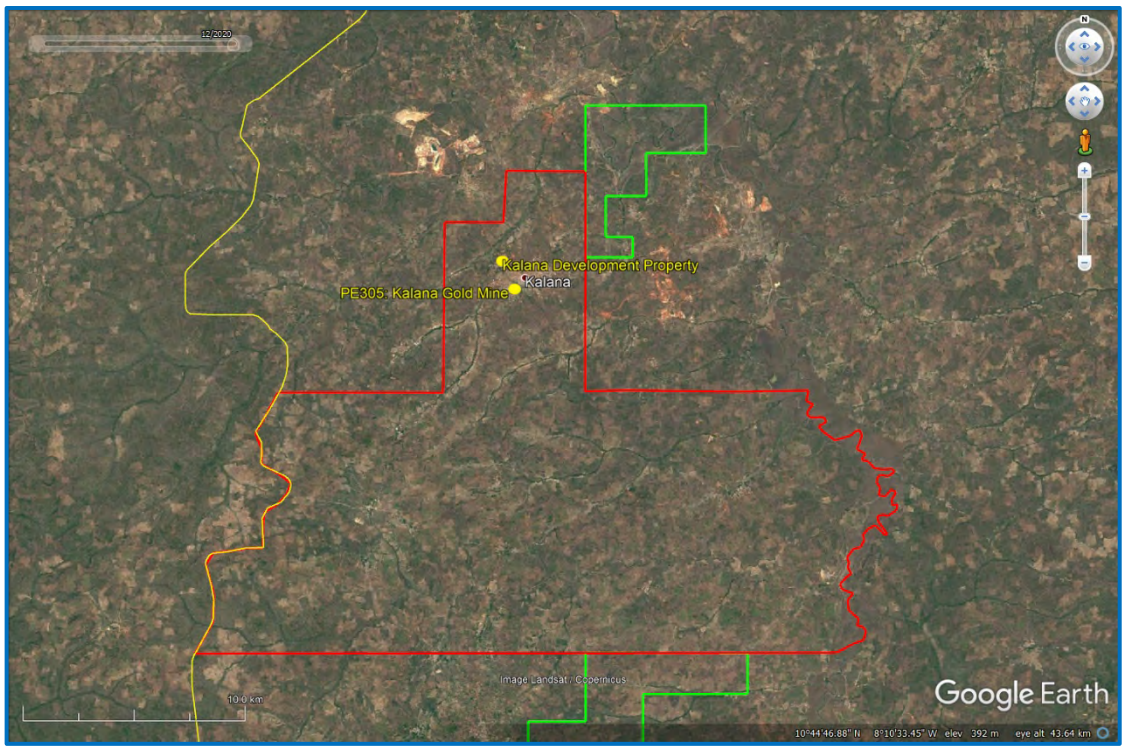
In order to consolidate the land around the Kalana Licence, two additional contiguous exploration permits were sought and obtained by the Group in 2018: the Fougadian Permit, which covers 99.8km^2 located to the south of the Kalana Licence, was obtained on 2 May 2018, and the Kalako Ouest Permit, which covers 21km^2 located to the east of Kalana in the north, was obtained on 6 December 6, 2018.

All sales revenue from the Kalana Development Property will be subject to a royalty of 3.00% and in addition a further third part royalty of 0.6% payable to Acacia.

Table 12-1: Kalana Development Property Exploitation Licence and regional exploration permits

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Société des Mines d'Or de Kalana	Kalana	PE - 305/PG-RM	80.00	61.0	07/04/2033	12.3
Regional Exploration Permits						
Avion Mali West Exploration SA	Kalako Ouest	PR - 18 - 4267/MMP-SG	100.00	21.0	05/12/2021	0.9
Avion Mali West Exploration SA	Fougadian	PR - 18 - 1381/MMP-SG	100.00	99.8	01/05/2021	0.3

Figure 12-2: Kalana Development Property mineral tenure map



Historical Development

Artisanal mining exploiting alluvial gold in the region dates back to at least the 14th century under the reign of the Malian Emperor, Musa Keita I. The first modern report of gold within the Permit area was published in 1931 by a geologist conducting regional exploration during which a high-grade quartz-gold vein was found in an artisanal working, which is now known as Vein 1.

Historically, the Kalana Mine was operated by SOGEMORK between 1982 and 1991. The underground workings were accessed by two vertical shafts to depths of 108m and 103m in order to mine the flat dipping quartz veins and some stockwork mineralisation below the saprolite (approximately 80m depth). During its seven-year tenure, SOGEMORK produced approximately 82koz of gold from 227kt mined, grading an average of 13g/tAu at a gravity-only recovery of 86%.

In 1992 - SOGEMORK dissolved and the permit reverted to the State of Mali and in 1994 the GoM launched a Kalana privatisation tender. In 1995 - Ashanti and JCI formed a joint venture (Ashanti-JCI) to evaluate the Kalana Mine and to conduct regional exploration in the permit area. In 1996 JCI withdrew from the joint venture and in 1997 Ashanti mandated Rothschild Natural Resources LLC to seek a suitable mining company to develop, operate and acquire a majority interest in the property. Nelson Gold Limited conducted a Feasibility Study which was not ratified by the Malian Government and in 1999 GoM terminated Ashanti-JCI's right to the Permit and re-issued the tender process. In 2001 GoM re-issued the tender process and in 2003 - Avnel Cayman (formed by Elliot Associates and the Fern Trust which held the intellectual

property of Nelson Gold) awarded the Kalana Licence: SOMIKA was incorporated as an 80% subsidiary of Avnel with the Malian Government holding a 20% free carry interest; and Avnel transferred the Permit to SOMIKA.

The Kalana Mine was restarted by Avnel in January 2004 as an underground mine, with gold being recovered in a gold plant using gravity recovery only. The mine reserves were extended by the deepening on No.2 vertical shaft to 180m below surface. The mining method was room and pillar. Ore was extracted from narrow stopes by drilling and blasting with scraper winches removing ore from the stopes. The mine production rate was approximately 50kt per annum. From 2004 to 2017, the mine produced 181koz of gold from 629kt at an average grade of 10.6g/tAu with 84% recovery.

In 2009 the IAMGOLD-Avnel joint venture agreement was signed. The option agreement provided IAMGOLD the opportunity to earn an initial 51% interest in Avnel's 80% share of the Kalana Project by spending a minimum of US$11m on exploration activities over three years and by delivering a NI 43-101 compliant Technical Report for a Mineral Resource of at least 2Moz Au and a feasibility study.

A Technical Report by Avnel proposed development of the project as a conventional open pit mine using trucks and excavators (developed in 12 stages at Kalana), Kalanako was not included. The study was based on an average mining rate of 12Mtpa with a LoM of 18 years, including six months pre-stripping and processing of stockpile material for three months. Processing was to involve a gravity and CIL plant with an average throughput of 1.26Mtpa producing 1.8MozAu over an 18-year operating life.

In 2013 - IAMGOLD-Avnel joint venture lapsed. IAMGOLD spent approximately US$32.5m on exploration activities at Kalana but did not deliver a Mineral Resource that met the 2MozAu vesting threshold. This resulted in the automatic lapse of the option agreement. The costs incurred by IAMGOLD were represented by quasi-equity loans to Avnel Cayman, which were lent to SOMIKA. On expiry of the option agreement, IAMGOLD's loans to Avnel Cayman were forfeited. IAMGOLD has no interest in the Permit or SOMIKA.

The Group acquired Avnel Gold Mining Ltd under an all-share transaction for a consideration of approximately US$122m in September 2017. Following the acquisition, the Group ceased the small-scale underground operations and started clearing the underground workings and existing infrastructure to allow for the development of future open pits, as well as to establish access for exploration.

On 1 April 2021 the Kalana 2021 TR was published which summarised the findings of the Kalana 2021 PFS.

12.3 Geology and Mineral Resources

12.3.1 Regional and Deposit Geology

The Kalana Development Property is located in close proximity to the western margin of the Bagoé Basin within the broader Man-Leo Shield of the West African Craton. A large Eburnean felsic intrusion, the Bougouni Batholith, occupies the central part of the Bagoé Basin, while small intermediate intrusions (diorites and granodiorites) are dominant in the eastern part of the basin, as well as in the Kalana project area.

The Kalana deposits are hosted by volcano-sedimentary rocks of the lower part of the Upper Birimian Group. Mineralisation is associated with a diorite intrusion within a metasedimentary package consisting of turbidite sandstone-siltstone (+/- tuff) sequences located on the steeply dipping western limb of a regional syncline. The east-west oriented diorite dyke shows a sigmoidal geometry, with two major bodies which have been traced to a depth of 600m. The

intrusion is approximately 180m by 250m in the main body and 150m by 750m to the east (Kalana Southeast). The two parts of the intrusion are surrounded by a contact metamorphic aureole (hornfels) up to 30m wide. The Kalana deposit is overlain by a weathered saprolite domain varying in thickness from approximately 30m to 130m.

Gold mineralisation is hosted by narrow, shallow dipping quartz veins as well as associated stockworks, together defining distinct vein packages. The main sigmoidal diorite and a significant proportion of the shallow, south to east-dipping quartz veins were emplaced in the same stress field (oriented approximately N120 - N130), and define a major phase of gold mineralisation, referred to as '1st Order Veins'. In the northern part of the deposit, a northeast trending vein swarm (dipping moderately-steeply to the south east) occurs as thin packages of mineralisation overprinting earlier mineralisation – these are referred to as '2nd Order Veins'. These veins are regarded as relay structures between upper and lower 1st order veins (i.e. mineralised Riedel structures). A third generation of mineralisation is manifested as sub-vertical, discontinuous thin veins referred to as '3rd Order Veins'. These structures are interpreted to have formed in pressure shadows associated with a local stress field (oriented N30 - N40) towards the northwest of the diorite body after cooling.

Kalanako is located approximately three kilometres northeast of Kalana and is characterised by a similar set of lithologies (predominantly intermediate intrusives hosted within metasediment packages). Mineralisation has been intersected along a 1.5km long, northwest-southeast-oriented structural corridor, where the volcanosediments, shear zones and intermediate to felsic intrusions are cut by shallow dipping (0° to 20°) dioritic dykes, which are comparable to those at Kalana. Mineralisation trends are typically sub-parallel to the macro-scale controlling structure. Individual mineralised zones are typically 5m to 15m wide, with strike lengths of 250m to 500m, dipping steeply to the east. The highest-grade intercepts are typically associated with the oxide part of the deposit.

12.3.2 Exploration Activity

Exploration activities in the Kalana Project have been divided into brownfield exploration around the Kalana Mine itself, and greenfield exploration in the rest of the land package.

The greenfield exploration has included the mapping of artisanal working sites, the sampling and analysis of termite mounds, the use of geophysical surveys (aeromagnetic, radiometric, ground induced polarisation and gravity), and drilling campaigns. Target definition has been guided significantly by soil anomalies for both gold and arsenic and the relationship between the two elements, and large-ion lithophile element ("**LILE**") maps delineating alluvium-filled drainage trends, which mask or hide parts of elongated gold-in-soil anomalies.

The brownfield exploration was originally focused largely on the compilation of prior work, as well as mapping and sampling of the underground workings (relating to when the mine was operated by SOGEMORK between 1982 and 1991) and drilling, although there is limited information available relating to this period. This work was rolled out on a larger scale following an agreement between Avnel and IAMGOLD Corporation in 2009 and included a three-year drilling exploration campaign over the Kalana deposit, Kalanako and the Djirila target (located in the southeast corner of the permit). A dedicated underground mine exploration team was formed in 2009 (until 2012) which focused on mapping, sampling and dedicated underground development to verify the concept of vein packages, examine the structural framework, verify drill hole grade variability within vein packages exposed in existing stopes and galleries, and understand the distribution of gold in the vein packages in order to constrain the drilling pattern and the variability of grade at a sample scale. It was reported that the underground sampling generally confirmed the mine grade control sampling results, with a less scattered statistical

distribution noted, whilst sampling and mapping of the underground development confirmed the consistency of drill hole grades and structural interpretations with that observed in the workings.

In 2013 and 2014, Avnel exploration activities focused on the reinterpretation of the geological framework, re-sampling and re-assaying historical drill samples and drilling new holes. The assaying of old and new samples used a two-kilogram Leachwell approach (a fast cyanide bottle-leach method suitable for high grade and/or coarse gold), where the re-sampling and re-assaying focused on samples that were significant to the mineralisation. In 2015, Avnel completed a total of 30,143m of drilling on the Kalana deposit including 28 DD, 137 RC and 16 RC-DD drillholes.

Following acquisition of the project in mid-2017 the Group initiated pre-development activities to optimise the Kalana project, which included resuming exploration activities on both Kalana and Kalanako. The 2018 Kalana exploration programme comprised of approximately 48,000m of drilling, focused primarily on the Kalana deposit and to a lesser extent on the Kalanako deposit. At the Kalana deposit, the in-fill drilling program was used to improve the geological model and increase confidence in the Mineral Resources. In 2019, a reconnaissance drilling campaign comprising of approximately 20,500m, was conducted on targets in the Kalana project area. In 2020, greenfield exploration comprised soil sampling and field mapping. Table 12-2 presents a summary of the drilling conducted at the deposit.

Table 12-2: Kalana Development Property: exploration drilling data

Deposit Group	Holes	Meterage	Spacing	Methodology			
	(No)	(m)		DD (%)	RC (%)	AC (%)	RC-DD (%)
Kalana	1,279	217,855	25m by 25m	27	58	1	14
Kalanako	383	46,570	25m by 25m	17	-	83	-
Kalana Mine Tailings	303	1,071	10m by 10m to 20m by 20m	-	-	100	-
Total	**1,965**	**265,496**		**21**	**38**	**32**	**9**

12.3.3 Quality and Quantity of Data

Prior to 2004 there is limited knowledge of the sampling process followed at Kalana. Subsequent to this date, sampling protocols have varied between Avnel (and IAMGOLD) ownership pre-2017, and the Group's ownership post-2017 – for the majority of this period, the onsite sampling process has been managed by SOMIKA. Table 12-3 summarises the sampling and analysis approaches adopted during various periods since 2002,

Table 12-3: Kalana Development Property: sampling analysis

Programme	Sample Type	Sample Preparation Location	Laboratory	Analytical Method
SOMIKA 2002-04	Soil and termite mound	Exploration Yard	Abilab, Bamako	30g FA with AAS finish
	Soil	Exploration Yard	Assayers Canada Ltd (Vancouver)	35 element ICP-AES
	Pit and rock	Exploration Yard	Abilab, Bamako	30g FAA with AAS finish
SOMIKA 2005 & 06	RC Chips and DD Core		Abilab, Bamako	50g FA with AAS finish
IAMGOLD 2009-11	Termite mound	Exploration Yard and SGS laboratory	SGS Kayes	50g FA with AAS finish
	Underground Aug-Dec 09	SGS laboratory	ALS	50g FA
	Underground	Exploration Yard	IAMGOLD at Kalana	XRF
	Underground Jan 10 – Dec 12	SGS laboratory	SGS Kayes	50g FA with AAS finish
IAMGOLD 2009 - 13	RC and DD Core	Exploration Yard and SGS laboratory	SGS Kayes	50g FA
SOMIKA 2013 - 14	Re-Assay RC and DD	Exploration yard and laboratory	BIGS Global	2kg sample cyanide leached (Leachwell) and 50g tails FA
SOMIKA 2015	RC and DD Core	Exploration yard and laboratory	BIGS Global	2kg sample cyanide leached (Leachwell) and 50g tails FA (if > 0.3ppmAu)
SOMIKA (Avnel) 2016-2017	RC	Exploration yard and laboratory	BIGS Global	2kg sample cyanide leached (Leachwell) and 50g tails FA (if > 0.3ppmAu)
SOMIKA (Endeavour) 2017-2019	RC, DD and RC-DD	Exploration yard and laboratory	Kalana – ALS, Ouagadougou (and ALS Kumasi) Kalanako - BIGS Global	2kg sample cyanide leached (Leachwell) and 50g tails FA

(1) FA = Fire Assay; AAS = Atomic Absorption Spectroscopy; XRF = X-Ray Fluorescence; ICP-AES = Inductively Coupled Plasma Atomic Emission Spectroscopy.

At the time of analyses, the Abilab laboratory was not accredited under recognised accreditation it joined the ALS Laboratory Group in 2006. It is unknown what accreditation Assayers Canada Limited (Assayers) laboratory in Vancouver, Canada held in 2004 - it has been part of SGS

Laboratory Group since 2010. Historically, SGS Kayes/Bamako did not have recognised accreditation for analytical testing, however they did operate to the International Organisation for Standardisation (ISO) 17025:2005 standards. BIGS Global is accredited to the ISO/International Electrotechnical Commission (ISO/IEC) 9001:2008 and ISO/IEC 17025:2005 for all relevant procedures and is independent of SOMIKA and the Group.

Following issues with under-reporting of total gold content using only a 30g to 50g sample charge for fire assay analysis prior to 2013, SOMIKA (Avnel) undertook a re-assaying programme of 31,100 samples between 2013 and 2015, instead using a 2kg sample which was crushed to <2mm and then pulverized to a nominal 85% passing 75µm which was subjected to a 24-hour bottle roll (cyanide leaching) test, followed by a fire assay of any tails material. The analysis of significantly large samples was designed to account for coarse gold with a very high nugget effect, and the subsequently poor representivity of small (≤50g) sample charges.

QA/QC programmes were put in place for all drilling campaigns since 2003, with limited documentation of procedures prior to this date. The QA/QC programmes have typically entailed the inclusion of blank, field duplicate and standard reference material sample submissions, and were the subject of external review by SRK Consulting in 2013. In summary, QA/QC results have broadly been considered acceptable, with the highest failure rates associated with the analysis of field and coarse duplicate pairs as a result of the very coarse nature of gold mineralisation and high nugget effect. This resulted in the non-submission of coarse duplicates during some of the more recent drilling campaigns (2010-2017).

12.3.4 Mineral Resource Estimation

Geological Domaining, Block Modelling and Interpolation

The current resource models for both the Kalana and Kalanako deposits (Table 12-4) were developed by Optiro Consultants during 2020. The drillhole data supporting each of the models totalled 1,230 drillholes for 212,356m for Kalana, and approximately 350 drillholes for Kalanako. Mineralisation wireframes were produced as 135 separate vein packages across seven structural domains at Kalana, each interpreted on a sectional basis. Lithology and weathering domains were also defined on the basis of the respective logging codes. A total of 34 separate mineralisation volumes were delineated at Kalanako using the same methodology. Drillhole intercepts were coded on the basis of their location with respect to the modelled lithology, weathering, mineralisation and structural domains. Gold assays were composited to one metre intervals within the mineralised wireframes.

For each deposit the domained grade populations were split into several indicator populations based on breaks in the global Au assay populations interpreted from log-probability plots. At Kalana, the indicator populations were further divided on the basis of structural domains. In each case, composite samples were coded by indicator population, and variography analysis was undertaken on the low and medium grade indicator populations (insufficient data was typically available in the high-grade population to successfully model a variogram). The indicator variogram parameters are summarised in Table 12-5.

Gold composite samples were capped on the basis of indicator populations at various grades between 1.00g/tAu and 4.00g/t Au for the low-grade domains, and between 65g/tAu and 160g/tAu for the high-grade domains (no capping applied to medium grade domains).

The gold grade was estimated using Categorical and Ordinary Kriging constrained within the mineralised domains. The grade was estimated in multiple passes to define the higher confidence areas and to extend the block grade estimates to the full extents of the interpreted mineralised zones. Block model and grade estimation parameters are summarised in Table

12-5. At Kalana, a LUC estimate was also completed, but this estimate was not used for reporting.

The grade estimation was validated by visual analysis, global statistical comparisons of sample and block mean grades, and swath plots within each structural domain. Based on a total of 13,079 core sample density measurements using the Archimedes method from Kalana and 1,458 measurements from Kalanako, representing the various lithologies present across the Project area, average values, split by lithology and weathering zone were coded into the models. The average density values used are summarised in Table 12-5.

Table 12-4: Kalana Development Property: geological modelling methodology and deposit characteristics

Deposit Group	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Kalana	135 separate mineralised volumes within 7 structural domains, modelled on a sectional basis. Modelling criteria include 0.2g/tAu to 0.3g/tAu threshold, visible gold and lithology (quartz vein).	Hosted by Birimian metasediments with an intrusive diorite stock. Centred on an east-west sigmoidal dyke and composed of three quartz vein sets (orders) with variable orientations. 135 veins, within 61 packages, grouped into 8 domains and 3 orders (styles) identified.	Deposit is 1,500m long, 800m wide, and mineralisation is open to below 410m below surface.
Kalanako	34 mineralisation domains were modelled as veins on a sectional basis (typically 25m spacing) Modelling criteria include 0.2g/tAu - 0.3g/tAu threshold, visible gold and lithology (quartz vein). Wireframes were snapped to drillholes and typically extended no more than 15m to 20 m beyond the last drillhole intersection.	Mineralisation is associated with felsic intrusive rocks and quartz stockworks that occur along northwest-southeast striking shear zones. Mineralisation drilled down to 260m below surface.	1,400m long, 300m wide corridor, trending northwest-southeast Typically dipping at 60° towards the northeast Mineralisation domains typically 5m to 15 m wide, averaging 7.2m wide DTH.
Kalana Mine Tailings	NA	Two TSFs. The "proper" TSF is located halfway between Kalana and Kalanako and is the main tails repository from 2004 - 17. The Shaft No. 2 TSF is the smaller TSF and is an old open-pit which has been partially depleted (and lies within the planned OP footprint).	The TSF Proper is an upstream constructed, side-hill impoundment designed, horse-shoe shaped dam covering an area approx. 250m by 100m. No. 2 Shaft TSF covers an area approx. 100m2.

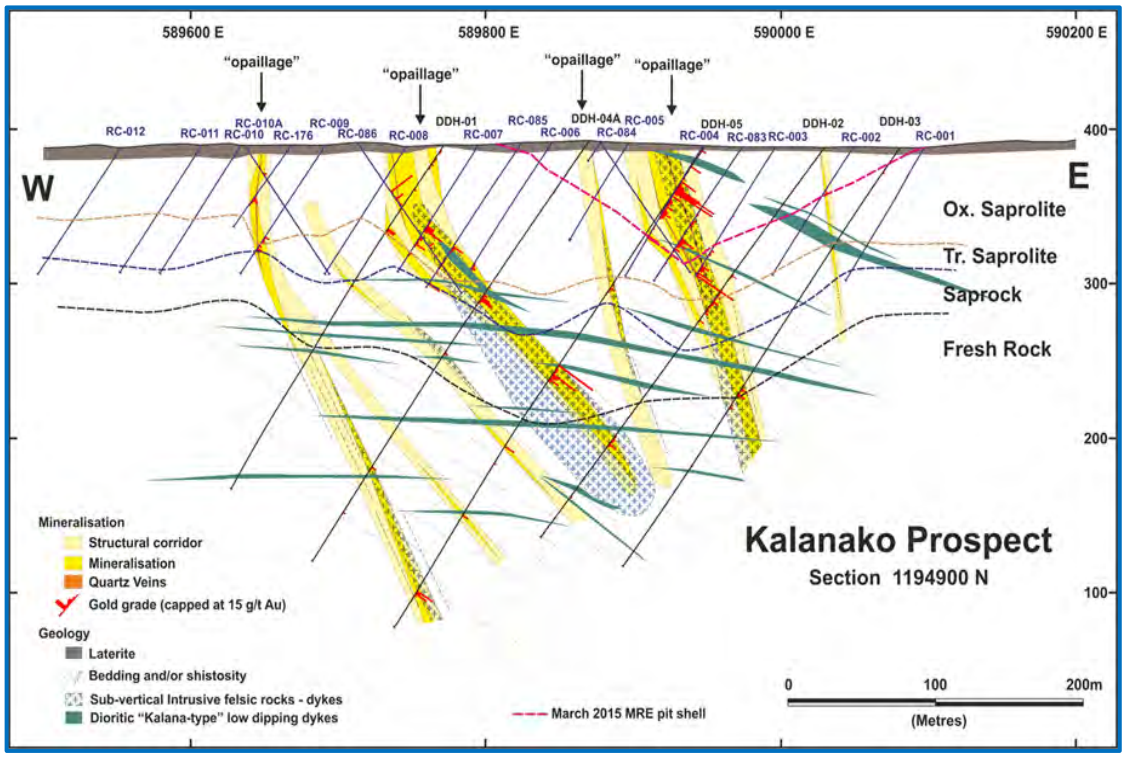
Table 12-5: Kalana Development Property: resource estimation parameters

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Kalana	1m	Caps applied to the low grade and high-grade indicator populations at between 1g/tAu and 4g/t Au and between 65g/tAu and 120g/t Au, respectively	Hard boundaries	Parent block size: 10m by 10m by 5m (XYZ) Sub-block size: 5m by 5 by 1.25m No rotation	Indicator kriging used, based on two indicators at 0.2g/tAu and 10g/tAu. Dynamic anisotropic grade estimate using three search passes. Grade estimation: Ordinary Kriging (constrained by Indicator Kriged sub-domains / sample populations)	Regolith: 1.67 Saprolite: 1.64 Saprock: 2.15 Fresh Rock: 2.68	Visual check on section, comparing modelled blocks grades vs composites. Statistics comparison of top-cut composites versus blocks modelled grades, per domain and per wireframe, comparing average tons and grade for both naïve declustered data. Swath plots per grade domain and mineralised wireframe. Kriging Neighbourhood Analysis (KNA) on parent blocks (10m by 10m by 5m) and LUC on 5m by 5m by 2.5m sub-blocks.
Kalanako	1m	Caps applied to the low grade and high-grade indicator populations at 1.0g/tAu and 160g/tAu, respectively. Based on statistical review of each indicator sample population.	Hard boundaries	Parent block size: 2.5m by 20m by 10m Sub-block size: 1.25m by 5m by 2.5m Rotated 310 degrees around origin (590,000, 1,194,270, 120) (XYZ)	Indicator kriging used, based on two indicators at 0.2g/tAu and 3.5g/tAu. Variography conducted on only the middle grade indicator population (>0.2g/tAu and <3.5g/tAu composites) Nugget Effect: 40% Maximum range: 40m No. search passes used: 3 Search volume 1 ellipsoid radii: 40m by 20m by 5m Factors used to increase search ellipsoids: 2, 15 Min. no. composites: 10 (lower and mid-grade domains); and 2 (high grade domains). Reduced to 2 for all domains for the third search pass. Max. no. composites: 20 Min. drillholes: 2 (lower and mid-grade domains); and 1 (high grade domains)	Laterite/mottled zone: 1.70 Saprolite: 1.76 Saprock: 2.09 Fresh Rock: 2.64	Visual check on section, comparing modelled blocks grades vs composites. Statistics comparison of top-cut composites versus blocks modelled grades, per domain and per wireframe, comparing average tons and grade for both naïve declustered data. Swath plots per grade domain and mineralised wireframe. Kriging Neighbourhood Analysis (KNA) on parent blocks and LUC on sub-blocks.

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					Grade estimation: Ordinary Kriging (constrained by Indicator Kriged sub-domains / sample populations) Note, all material within the laterite zone was set to background waste grade to account for an unknown quantum of artisanal mining.		
Kalana Mine Tailings	N/A	N/A	N/A	N/A	Based on topographic surveys, production plant discharge records, depletion records, historical auger sampling, DD samples, etc.	Dry bulk density 1.5	N/A

Mineral Resources associated with the Kalana TSF have been estimated through the combination of historical production records associated with SOMIKA mining between 2004 and 2017, as well as various partial volume surveys and auger drilling programmes used to assess the grade profile of the TSF. The average grade of the TSF material has been estimated on the basis of historical production data, auger drilling campaigns conducted in 2004 and subsequently in 2012 (IAMGOLD), as well as some intercepts included in an RC and DD drilling programme conducted on a 50m grid by the Group in 2017.

Figure 12-3: Kalana Development Property geological cross section



Classification

The mineralised domains were classified into Indicated and Inferred Mineral Resource classifications, depending on the drillhole spacing, number of samples considered during block estimates, and geostatistical analysis. The Indicated classification was generally applied to blocks within the mineralised zones defined by at least three drill holes within a 50m search, with an Inferred classification attributed to blocks estimated using samples from at least two drillholes within a 125m radius. No Measured category material was assigned, largely because of the coarse character of the deposit, the high nugget effect component and the relatively poor grade continuity definition provided by the drilling data.

In the absence of a full, accurate volume survey, the TSF has been classified as Indicated

Mineral Resources.

Reasonable Prospects for Eventual Economic Extraction

Reporting of Mineral Resources in accordance with the terms and definitions of the JORC code requires consideration of the economic viability whereby the Mineral Resources are considered to be 'potentially economic' under certain assumed criteria. SRK recognise that there exists a wide range of industry practices with respect to such determinations, however it is customary to consider the following:

- Constraining the reporting of those Mineral Resources which are potentially economic via open-pit methods to an optimised shell derived from all resource classifications assuming a long-term price which reflects an appropriate premium (say 30% to 50%) to the long-term price adopted for reporting of Ore Reserves or alternatively a reasonable depth limit which is deemed appropriate for the scope and scale of the deposit; and
- Constraining the reporting of those Mineral Resources which are potentially economic via underground methods to the resources reporting external to the optimised shell (noted above) through application of an appropriate cut-off grade for underground mining, reflective of the associated higher operating expenditures. Alternatively, it has also become industry recognised common practice to utilise '*mine stope optimisers*' or other underground optimisation techniques to constrain the reporting of underground Mineral Resources which incorporates a number of key elements including: aggregation of block model units into stope dimensions (minimum sub-level/level/cut and strike lengths); incorporation of minimum mining widths; and exclusion stopes/mining which are distant from current and planned primary infrastructure.

It should however be clear that the above approach can provide a wide range of results and is therefore subject to a degree of interpretation by the Competent Person to present that which they consider to be reflective of *"reasonable prospects for eventual economic extraction*". In this instance the Kalana Development Property reports its open pit Mineral resources assuming the same operating expenditure and modifying factors as utilised for reporting Ore Reserves including a gold price of US$1,500/oz. Reporting of open pit Mineral Resources are constrained within resulting optimisation shells derived using a gold price of US$1,500/oz and in situ cut-off grade of 0.50g/tAu irrespective of weathering type. The Whittle pit shell optimization assumed:

- a base mining cost of US$1.64/t for laterite, US$1.80/t for oxide, US$2.08/t for transitional and US$2.95/t for fresh;
- combined processing, general and administration, ore/waste differentials, ore haulage, rehandling and grade control costs of US$19.82/t for laterite, US$19.96/t for oxide, US$24.52/t for transitional and US$23.00/t for fresh rock;
- metallurgical recovery of 95.4%, 95.4%, 92.4% and 92.7% for laterite, oxide, transitional and fresh ore respectively;
- royalty assumption of 3.6%;
- transport and refining costs of US$4.0/oz;
- depth incremental costs per vertical 10m of US$0.016, US$0.021, US$0.030 and US$0.056 for laterite, oxide, transitional and fresh weathering type respectively,
- marginal cut-off grade general administration reduced costs of 40%; and
- overall slope angles ranging from 28.5° to 52°.

The resulting in-situ cut-off grades range from 0.4g/tAu to 0.6g/tAu for low grade material and 0.40g/tAu to 0.50g/tAu for marginal ore.

12.3.5 Mineral Resource Statements

As at 31 December 2020 Kalana Development Property reports total Mineral Resources (Table 12-6) of 50.5Mt grading 1.57g/tAu containing 2.5MozAu and comprising:

- Indicated Mineral Resources of 46.0Mt grading 1.56g/tAu and containing 2,302kozAu; and
- Inferred Mineral Resources of 4.6Mt grading 1.67g/tAu and containing 245kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises: oxide material of 10.0Mt grading 1.69g/tAu; transitional material of 3.6Mt grading 1.69g/tAu and fresh material of 37.0Mt grading 1.52g/tAu.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shells assuming a long-term gold price of US$1,500/oz and application of a constant cut-off grade of 0.50g/tAu. The optimisation input parameters are the same as that assumed for supporting derivation of the Ore Reserves as reported in Section Table 12-4 of this CPR, save for the increased gold price; and
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Table 12-7 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are addition of 22.8Mt of low-grade material and a reduction in total gold content of 1.0Moz of gold as a direct result of the change in geological modelling and interpolation technique. Specifically, the in-situ grade has reduced substantially from 3.95g/tAu to 1.56g/tAu. The 2019 Mineral Resource estimate were reported within an optimised shell assuming a consistent gold price of US$1,400/oz.

Table 12-6: Kalana Development Property: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Indicated												
Kalana o/p	43,528	1.53	2,143	8,385	1.61	435	3,212	1.63	168	31,931	1.50	1,540
Kalanako o/p	1,614	2.14	111	1,235	2.22	88	318	1.86	19	61	2.04	4
Kalana Mine Tailings	845	1.77	48	-	-	-	-	-	-	845	1.77	48
Subtotal	**45,987**	**1.56**	**2,302**	**9,620**	**1.69**	**523**	**3,530**	**1.65**	**187**	**32,837**	**1.51**	**1,592**
Measured + Indicated												
Kalana o/p	43,528	1.53	2,143	8,385	1.61	435	3,212	1.63	168	31,931	1.50	1,540
Kalanako o/p	1,614	2.14	111	1,235	2.22	88	318	1.86	19	61	2.04	4
Kalana Mine Tailings	845	1.77	48	-	-	-	-	-	-	845	1.77	48
Subtotal	**45,987**	**1.56**	**2,302**	**9,620**	**1.69**	**523**	**3,530**	**1.65**	**187**	**32,837**	**1.51**	**1,592**
Inferred												
Kalana o/p	4,209	1.64	222	13	0.96	0	8	1.48	0	4,188	1.64	221
Kalanako o/p	351	2.04	23	327	1.67	18	20	8.36	5	4	0.87	0
Subtotal	**4,560**	**1.67**	**245**	**340**	**1.64**	**18**	**28**	**6.40**	**6**	**4,192**	**1.64**	**221**
Mineral Resources												
Kalana o/p	47,737	1.54	2,365	8,398	1.61	435	3,220	1.63	168	36,119	1.52	1,761
Kalanako o/p	1,965	2.12	134	1,562	2.10	106	338	2.24	24	65	1.97	4
Kalana Mine Tailings	845	1.77	48	-	-	-	-	-	-	845	1.77	48
Total	**50,547**	**1.57**	**2,547**	**9,960**	**1.69**	**541**	**3,558**	**1.69**	**193**	**37,029**	**1.52**	**1,813**

Table 12-7: Kalana Development Property: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Kalana	-	-	-	(9,500)	(4.19)	(1,280)	9,500	4.19	1,280

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Subtotal	**-**	**-**	**-**	**(9,500)**	**(4.19)**	**(1,280)**	**9,500**	**4.19**	**1,280**
Indicated									
Kalana o/p	43,528	1.53	2,143	30,028	(2.55)	373	13,500	4.08	1,770
Kalanako o/p	1,614	2.14	111	(496)	(0.13)	(43)	2,110	2.27	154
Kalana Mine Tailings	845	1.77	48	115	0.06	8	730	1.70	40
Subtotal	**45,987**	**1.56**	**2,302**	**29,647**	**(2.18)**	**338**	**16,340**	**3.74**	**1,964**
Measured + Indicated									
Kalana o/p	43,528	1.53	2,143	20,528	(2.59)	(907)	23,000	4.12	3,050
Kalanako o/p	1,614	2.14	111	(496)	(0.13)	(43)	2,110	2.27	154
Kalana Mine Tailings	845	1.77	48	115	0.06	8	730	1.70	40
Subtotal	**45,987**	**1.56**	**2,302**	**20,147**	**(2.35)**	**(942)**	**25,840**	**3.90**	**3,244**
Inferred									
Kalana o/p	4,209	1.64	222	2,509	(2.75)	(18)	1,700	4.39	240
Kalanako o/p	351	2.04	23	181	(2.54)	(2)	170	4.57	25
Subtotal	**4,560**	**1.67**	**245**	**2,690**	**(2.74)**	**(20)**	**1,870**	**4.41**	**265**
Mineral Resources									
Kalana o/p	47,737	1.54	2,365	23,037	(2.60)	(925)	24,700	4.14	3,290
Kalanako o/p	1,965	2.12	134	(315)	(0.32)	(45)	2,280	2.44	179
Kalana Mine Tailings SP	845	1.77	48	115	0.06	8	730	1.70	40
Total	**50,547**	**1.57**	**2,547**	**22,837**	**(2.37)**	**(962)**	**27,710**	**3.94**	**3,509**

12.3.6 Exploration Potential

Exploration studies completed to date indicate that exploration and resource delineation drilling should be continued to the southwest of Kalanako, in the Kalanako North Extension area, Bandiala, Tonda, etc. where gold showings and historical artisanal workings have been identified in conjunction with soil and geophysical anomalies. The Djirila deposit is within a reasonable trucking distance (22km southwest) from the Kalana CIL Plant and should be reviewed in regard to identifying possible additional Mineral Resources. An exploration program of US$0.3 million is budgeted for 2021.

12.4 Mining and Ore Reserves

The Kalana Development Property is intended to be conventional open pit mining using a drill, blast, load and haul mining cycle. The Group plans to contract out the mining to a suitable mining contractor whilst maintaining operation oversight. The saprolite and laterite is anticipated to be primarily free dig, potentially requiring ripping. Production drilling of saprock and fresh material will be undertaken by top hammer drills drilling 127mm diameter holes. As rock strengths increase, blasting will be utilised more regularly in the saprock with powder factors estimated at 0.38kg/bcm. All the fresh rock will be blasted with powder factors estimated at 0.86kg/bcm.

A blast zone buffer (350m) between the town and the open pit is proposed that will require sections of the town to be relocated. The proposed bund and minimal blasting in saprolite may also act as an additional 70m to 150m buffer (dependent on ground conditions). Kalanako is over 1.3km from the township and 800m from the proposed bypass road and should not require a blast zone buffer.

Underground voids are present and were surveyed, however despite the voids being typically narrow (<3m) and flat dipping, drilling should be used to confirm their locations. As a minimum the grade control drilling could be utilised, although dedicated probe drilling would be more suitable. Safety procedures will be adopted to protect equipment and personnel when working on floors with minimal thickness to underground workings.

Loading will be undertaken by hydraulic excavators (100t and 200t operating weights) to provide a balance between mining selectively and productivity. Hauling will be undertaken by rigid body dump trucks (90t capacity).

The current LoMp assumes mining of a total of 275.0Mt of material at a rate which increases to 30Mt by 2025 and remains at approximately 30Mtpa until 2030 and declining thereafter prior to depletion in 2034. Total Ore Reserves mined from the open pits amount to 34.8Mt grading 1.60g/tAu at an average stripping ratio of 6.9t_{waste}:t_{ore}.

12.4.1 Mine Design, Planning and Scheduling

At the Kalana Development Property all block resource models are regularised to ensure a minimum SMU size of 5.0m (X), 5.0m (Y) and 2.5m (Z). Mining loss assumptions are incorporated at 0% and no dilution or grade factors are applied (Table 12-8). These parameters should also be considered in the light of the reconciliation studies completed to date which indicate positive reconciliation on gold content accompanied with higher than planned dilution and lower mined grades.

The current Ore Reserves are reported assuming a mill feed cut-off grades determined based on a weathering type specific parameters inclusive of processing costs and general and administration costs inclusive of site and regionally allocated components. The metallurgical recoveries are based on specific weathering type estimates (Table 12-9).

The mining costs are initially determined assuming application of a range of mining related operating expenditures which are effectively incorporated into the specific block models assuming a suite of assigned algorithms for each material type within each deposit and to account for haul distances. The processing costs assumed are based on the specific determinations per weathering type within each deposit.

The resulting unit operating costs as derived from the block models are as reflected in Table 12-10 with the marginal costs being used as inputs to drive the mill feed cut-off grade determinations which are applied to the diluted block tonnages and grades as part of the scheduling process. The resulting cut-off grades as determined assume a long-term gold price of US$1,500/oz a royalty determination of 3.60% and selling cost assumptions of US$3.00/oz. The resulting mill feed cut-off grade determinations are presented in Table 12-11 below and range from a low of 0.40g/tAu to a high of 0.50g/tAu.

Table 12-8: Kalana Development Property: assumed modifying factors

Deposit	Diluted Ore Loss			Grade Factor on Diluted			Metallurgical Recovery		
	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Kalana	-	-	-	-	-	-	95.40	92.40	92.70
Kalanako	-	-	-	-	-	-	96.00	88.50	89.00
Kalana Mine Tailings	-	-	95.0	-	-	9.0	-	-	74.80

(1) Metallurgical recoveries derived from weighted average determinations derived from the weathering type estimates reported below in below.

Table 12-9: Kalana Development Property: assumed metallurgical recoveries

Deposit	Recovery			LoMp Recovery		
	Oxide (%)	Transition (%)	Fresh (%)	Oxide (%)	Trn (%)	Fresh (%)
Kalana	95.40	92.40	92.70	90.00	88.07	90.47
Kalanako	96.00	88.50	89.00	90.00	88.07	90.47
Kalana Mine Tailings	-	-	74.80	-	-	74.80

Table 12-10: Kalana Development Property: assumed operating cost inputs (cut-off-grade)

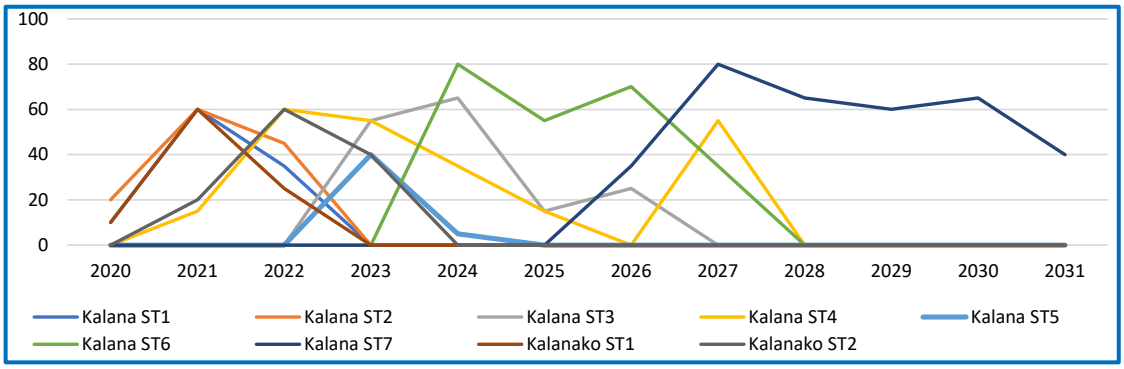
Deposit	Operating Expenditure				Marginal-Cost				Full-Cost		
	Mining (US$/t)	Ox-Proc (US$/t)	Fresh-Proc (US$/t)	Trn-Proc (US$/t)	G&A (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)	Oxide (US$/t)	Trn (US$/t)	Fresh (US$/t)
Kalana	2.67	13.57	18.27	16.75	6.25	19.82	24.52	23.00	22.49	27.19	25.67
Kalanako	1.79	14.08	18.60	17.23	6.18	20.26	24.78	23.41	22.05	26.57	25.20
Kalana Mine Tailings	-	-	-	-	-	-	-	-	-	-	-

Table 12-11: Kalana Development Property: RoM mill feed (marginal) cut-off grades

Deposit	Mill Feed Cut-off Grade (RoM basis)		
	Oxide (g/tAu)	Transitional (g/tAu)	Fresh (g/tAu)
Kalana	0.50	0.50	0.40
Kalanako	0.42	0.53	0.50
Kalana Mine Tailings	-	-	1.00

Typically sink rates vary in accordance with pit dimensions and other related physical/spatial constraints. Due to the prevailing conditions at the Kalana Development Property, open pit sink rates are generally less than the recommended 80m to 100m range.

Figure 12-4: Kalana Development Property: open pit sink rate assessment



12.4.2 Hydrology and Dewatering

The water balance modelling included the TSF with a view to determining site water storage requirements. Design wet conditions were modelled to ensure that the TSF is designed with sufficient storage capacities to comply with design criteria. A constant pit dewatering rate of 605m^3/h from the Kalana open pit as predicted by hydrogeological modelling, was used for the water balance modelling and will be available to provide make up and raw water to the process plant. Due to the water quality, it was assumed that any excess water generated from pit dewatering will be discharged directly off site after going through a sediment trap.

The modelling predicts that the Kalana open pit dewatering supply (605m^3/h) is sufficient to supply all raw and make-up water requirements for average and design dry climatic conditions, while the maximum annual discharge to the environment of excess water from the Kalana open pit dewatering (after abstraction of raw water requirements) under design wet conditions is 3.6Mm^3/year.

Constant pit dewatering rate of 605m^3 per hour is assumed from Kalana open pit and this is assumed to be sufficient to meet the raw water make up demand as well as total water in tailings slurry to the process plant in the event that the tailings decant return is not available. However, this dewatering figure is the steady-state value for the final pit extent and therefore there is a risk that this assumption overestimates the available water for water supply during ramp up and early mine life.

A preliminary groundwater desktop assessment was conducted for the Kalanako open pit. With limited hydrogeological data available, conclusions were based on data from the Kalana area assuming similar hydrogeological conditions. On this basis the preliminary, estimated total Kalanako inflow for both pits ranges between 3,110m^3/day (129m^3/h) and 4,147m^3/day (173m^3/h).

12.4.3 Mining Geotechnics

Slope design criteria was undertaken by Golder (Kalana 2021 PFS) and Snowden (Kalana 2022 FS) respectively. Significant thickness of saprolite likely to be encountered. Steady state and transient pore pressure has been considered in the analyses with the results showing that only moderate increases in groundwater pressure above steady state conditions will result in unacceptable Factors of Safety. It is likely that pore pressure and relict structure will control slope performance in the saprolite. The latest studies indicates that the structural conditions within the fresh rock are likely to be favourable and not considered to generate significant instability. However, geotechnical and structural mapping should be undertaken on exposure of fresh rock to verify the current structural analyses.

Table 12-12: Kalana Development Property: geotechnical and hydrogeological design

considerations

Kalana Open Pits	GT Information	GT Design Criteria		Reserve Pit Design Criteria	
Kalana	Geotechnics	~ Sap IRA (°)	30.5	~ Sap Thickness (m)	max ~100
				~ Sap IRA (°)	30
		~ Rock IRA (°)	52.5-56	~ Rock Thickness (m)	max ~190
				~ Rock IRA (°)	49-56
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Recommended (status unknown)
				Drainholes	Recommended (status unknown)
	Open Pit Design Summary			~Overall Slope Angle (°)	~38°
				~Maximum Elevation (m)	380
				~Minimum Elevation (m)	80
				~Max Depth (m)	300
Kalanako	Geotechnics	~ Sap IRA (°)	30.5	~ Sap Thickness (m)	max ~100
				~ Sap IRA (°)	30
		~ Rock IRA (°)	52.5-56	~ Rock Thickness (m)	max ~190
				~ Rock IRA (°)	49-56
	Dewatering/depressurisation			Slopes assumed dry	Yes
				Dewatering wells	Recommended (status unknown)
				Drainholes	Recommended (status unknown)
	Open Pit Design Summary			~Overall Slope Angle (°)	~30°
				~Maximum Elevation (m)	395
				~Minimum Elevation (m)	290
				~Max Depth (m)	105

12.4.4 Ore Reserve Statement

As at 31 December 2020 the total Ore Reserves for Kalana Development Property (Table 12-13) includes 35.6Mt grading 1.60g/tAu and containing 1.8MozAu and comprising all of which is classified as a Probable Ore Reserve. This includes both open pit and reclaimed tailings with the latter contributing 0.8Mt grading 1.67g/tAu and containing 44kozAu.

Subdivided by weathering mineralisation the total Ore Reserves comprises: oxide material of 9.7Mt grading 1.64g/tAu and transitional material of 3.2Mt grading 1.67g/tAu and fresh material of 22.7Mt grading 1.57g/tAu.

In all instances SRK concludes that:

- The Ore Reserve statement has an effective date of 31 December 2020;
- The Ore Reserves are reported in accordance with the terms and definitions of the JORC Code;
- All Ore Reserves are reported using a long-term gold price assumption of US$1,500/oz; and
- The Ore Reserves are reported using appropriate marginal cut off grades which vary in accordance with weathering type per deposit and which generally range from 0.40g/tAu to 0.60/tAu.

The sensitivity of Ore Reserves to gold price indicates that above US$1,500/oz the total Ore Reserves contained within an optimised shell is not significantly impacted at prices ranging up to a high of US$1,800/oz. At an Ore Reserve price assumption of approximately US$1,300/oz the total tonnage reported in the Ore Reserves reduces by approximately 33% and the total gold content by approximately 20%.

Table 12-13: Kalana Development Property: Ore Reserves as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Proved												
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Probable												
Kalana OP	33,617	1.58	1,703	8,647	1.58	438	3,085	1.64	163	21,886	1.57	1,101
Kalanako OP	1,159	2.21	82	1,068	2.17	74	91	2.63	8	-	-	-
Kalana Mine Tailings SP	820	1.67	44	-	-	-	-	-	-	820	1.67	44
Subtotal	**35,596**	**1.60**	**1,829**	**9,715**	**1.64**	**513**	**3,176**	**1.67**	**171**	**22,706**	**1.57**	**1,145**
Ore Reserves												
Kalana OP	33,617	1.58	1,703	8,647	1.58	438	3,085	1.64	163	21,886	1.57	1,101
Kalanako OP	1,159	2.21	82	1,068	2.17	74	91	2.63	8	-	-	-
Kalana Mine Tailings SP	820	1.67	44	-	-	-	-	-	-	820	1.67	44
Total	**35,596**	**1.60**	**1,829**	**9,715**	**1.64**	**513**	**3,176**	**1.67**	**171**	**22,706**	**1.57**	**1,145**

12.4.5 LoMp Mining Inventory and Associated Assumptions

The current LoMp assumes continued open pit mining operations from H2 2023 through calendar 2034 with total material mined of 275.0Mt and comprising open pit ore of 34.8Mt grading 1.70g/tAu at an average stripping ratio of 6.9t_{waste}:t_{ore} (Table 12-14; Table 12-15). Oxide material contributes some 42.4% of total material mined with transitional and fresh material collectively contributing 10.5% and 47.1% respectively. Mining production in 2021 is projected from two open pits (Figure 12-5) developed as staged pushbacks prior to planned depletion of the Ore Reserves in 2034.

Total mined material is planned to increase to a maximum of 30Mt in 2025 and thereafter remaining at approximately 30Mtpa until the production tail from 2031 through 2034. Ore tonnage mined ranges from 4.4Mtp to 1.8Mtpa with the fresh rock component comprising the majority of ore mined from 2031onwards. RoM grades remain generally range bound between 1.4g/tAu and 2.1g/tAu.

Individual ore types within each deposit are ascribed different cut off grades (Table 12-11), however the mining schedule is largely driven by grade categories: high grade ("**HG**") for all ore greater than 1.3g/tAu; medium grade ("**MG**") for all ore greater than 0.9g/tAu; low grade ("**LG**") for all ore greater than the material type specific cut-off grade.

Accordingly, the stockpiling strategy assumes the development of up to four grade categories which are managed at both satellite RoM and the Kalana CIP Plant RoM pads. Table 12-17 presents a summary by deposit of the ore grade categories which indicate that HG and MG together contribute 66% of the tonnage and 85% of the contained gold mined with, LG contributing 33% of the tonnage and 15% of the contained gold mined. Stockpile management over the LoMp indicates that total stockpile volumes remain at less than 3.8Mtpa with the low-grade ore stockpiles contributing the majority of this by measure of both tonnage and gold content.

Mining operating expenditures per deposit are reported in Table 12-18 which include all expenditures relating to mining, grade control, overhaul and other aspects for each of the deposits. These indicate a weighted average LoMp unit mining cost of US$2.71/$t_{mined}$ with expenditures being generally increasing over the mine life reflecting the varying haul distances over the operating life.

Table 12-14: Kalana Development Property: open pit LoMp mining inventory (excluding stockpiles)

Deposit	Mined (kt)	Ore (kt)	Waste (kt)	S.R. (t_{waste}:t_{ore})	Oxide (%)	Transition (%)	Fresh (%)
Kalana	251,644	33,617	218,028	6.49	42.5	10.5	47.0
Kalanako	23,310	1,159	22,151	19.11	-	-	-
TSF	820	820	-	-	-	-	100.0-
Total	**275,775**	**35,596**	**240,179**	**6.75**	**42.4**	**10.5**	**47.1**

Table 12-15: Kalana Development Property: open pit deposits ore mining inventory

Processed	Ore Mined		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Fresh	21,886	1.57	1,101
Laterite	719	0.88	20
Oxide	8,996	1.70	492
Transition	3,176	1.67	171
Tails	820	1.67	44
Total	**35,596**	**1.60**	**1,829**

Table 12-16: Kalana Development Property: open pit mining start and depletion periods

Deposit	Start	End
Kalana	12-2023	12-2034
Kalanako	12-2023	12-2026
TSF	12-2023	12-2028
Total	**12-2023**	**12-2034**

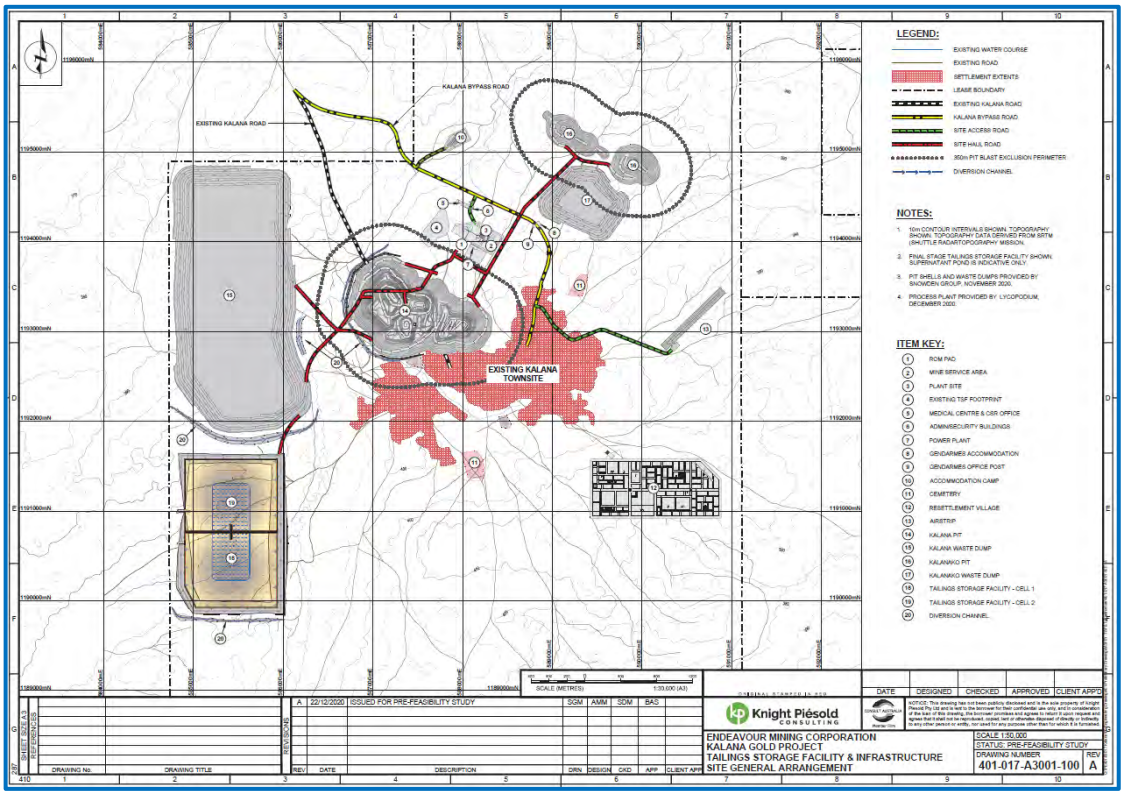
Table 12-17: Kalana Development Property: Ore grade category contributions

Mined	High Grade Ore			Medium Grade Ore			Low Grade Ore			Marginal Grade Ore		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Kalana	10,731	3.14	1,083	12,214	1.08	424	11,831	0.73	278	-	-	-
TSF	820	1.67	44	-	-	-	-	-	-	-	-	-
Total	**11,551**	**3.03**	**1,127**	**12,214**	**1.08**	**424**	**11,831**	**0.73**	**278**	**-**	**-**	**-**

Table 12-18: Kalana Development Property: LoMp mining operating expenditure

Deposit	Mined (kt)	Opex (US$/t)	(US$m)
Kalana	251,644	2.71	680.9
Kalanako	23,310	2.71	63.1
TSF	820	3.06	2.5
Total	**275,775**	**2.71**	**746.5**

Figure 12-5: Kalana Development Property Site Layout



12.5 Mineral Processing

The Kalana Development Property assumes construction of a CIL plant. The plant flowsheet facilitates processing of oxide, transitional and fresh ores from the Kalana and Kalanako open pits and a minor contribution from the processing of reclaimed historical tailings. When processing 100% fresh ores, the plant nominal capacity is rated at 3.0Mtpa increasing to a total of 3.7Mtpa when processing 100% oxide ores. The current LoMp assumes processing commencing in 2024 and planned to continue through to depletion of the Ore Reserves in 2034. The proportion of fresh ores increases from 12% in 2024 to 90% in 2028 and from 2031 onwards projects processing with 100% fresh ore feed. From 2025 through 2028 process throughput ranges from 3.7Mtpa to 3.2Mtpa.

The Kalana 2021 FS assumes that further work is planned to refine the current flowsheet and specifically to conduct further testwork to assess the comminution and metallurgical response and/or physical characteristics of the fresh ores in the deeper portions of the open pits. The current testwork is informed by drill core samples obtained to a depth of 220m and the latest pit designs extends planned mining operations to a depth of 320m.

12.5.1 Process Plant Feed

Lycopodium developed a comprehensive metallurgical testwork programme in 2018 and selected appropriate core samples from the ore body that will be treated through the processing facility. The majority of the testwork was carried out between January and July 2018, with some additional tests performed between November 2018 and January 2019. No additional testwork has been carried out since that time. The following provides a summary of the testwork undertaken:

- Comminution tests performed on 14 samples representing a range of lithologies across the three main weathered rock types (saprolite, saprock, and primary) intended to produce a range of comminution data (SMC values, Bond Ball Mill Work indices, and Abrasion indices) for input into equipment sizing;
- Initial variability tests performed on 32 samples representing a range of lithologies across the three main weathered rock types, under standard cyanide leaching conditions and at a fixed particle size. The intention of these tests was to determine the relative gold recovery from the various lithologies and identify any anomalies prior to preparation of the Master Composites;
- Leachwell tests performed on 56 primary ore samples to establish overall gold recoveries across the resource. This was necessary as the previous initial variability tests demonstrated no discernible correlation between gold recovery and lithology and thus could not facilitate the selection of appropriate samples to generate the Master Primary Ore Composites. The Leachwell results were used to select appropriate samples, based on overall gold recovery, to establish two Primary Ore Master Composites based on ‘high’ and ‘low’ gold extraction;
- Optimisation tests performed on five Master Composites, to establish optimum leaching conditions (grind size, pulp density, and cyanide concentration) and to establish CIL, cyanide detoxification, and arsenic precipitation parameters;
- Oxygen uptake rate tests, and rheology tests were undertaken for each of the five Master Composites; and
- Final Variability tests performed on 20 samples representing a range of lithologies across the three main weathered rock types, under optimised grind, pulp density, and cyanide leaching conditions.

Analysis of the variability leach test results indicated that a linear regression relationship to predict gold and silver recoveries from head grades was not favoured. An alternative approach took the average extractions obtained from the leach variability tests and applied these to the mine schedule for the appropriate ore type to yield a weighted recovery value for each year. Using this information, and assuming soluble gold and silver losses of 0.01mg/l and 0.03mg/l, respectively and a CIL pulp density of 50%w/w solids: oxide and laterite ore (96.0%); transition ore (90.0%); fresh ore (88.6%); and reclaimed tailings (74.8%).

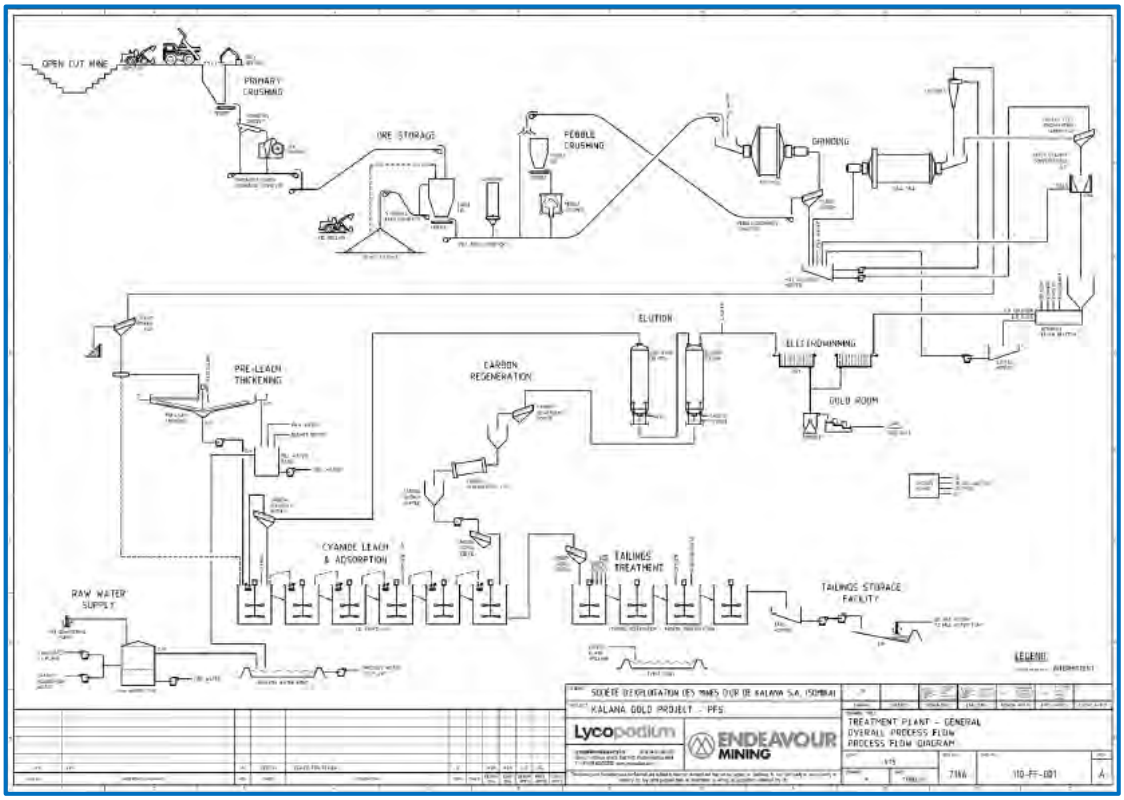
12.5.2 Flowsheet

The Kalana CIL Plant will process oxide, transitional and fresh ores from the open pits as well as the reclaimed historical tailings. The key project design criteria defined for the Kalana CIL Plant comprise: 3.0Mtpa capacity for processing 100% fresh ores; crushing plant mechanical availability of 80% (7,008 hours per annum); mechanical availability for the remainder of the plant of 91.3% (8,000 hours per annum) supported by crushed ore storage and standby equipment in critical areas; sufficient automated plant control to minimise the need for continuous operator interface and allow manual override and control if and when required.

The treatment plant design incorporates the following unit process operations:

- primary crushing with a jaw crusher to produce a coarse crushed product;
- a crushed ore surge bin and emergency stockpile;
- a SABC milling circuit comprising a SAG mill in closed circuit with a pebble crusher and a ball mill in closed circuit with hydrocyclones to produce an 80% passing (P80) 90µm grind size;
- gravity concentration and removal of coarse gold from the milling circuit and treatment of gravity concentrate by intensive cyanidation and electrowinning to recover gold to doré;
- pre-leach thickening of the milled slurry to increase the slurry density feeding the CIL circuit;
- a CIL circuit to leach and adsorb gold and silver values from the milled mineralised material onto activated carbon in six CIL tanks;
- a split AARL elution circuit, electro-winning and gold smelting to recover gold from the loaded carbon to produce doré;
- tailings treatment incorporating cyanide destruction using the INCO SO_2 / air process (sodium metabisulphite / oxygen), followed by arsenic precipitation and stabilisation; and
- tailings pumping to the TSF.

Figure 12-6: Kalana CIL Plant: simplified flowsheet



12.5.3 LoMp Processing Inventory and Associated Assumptions

The current LoMp assumes continued operations at a processing throughput ranging from 3.7Mtpa when processing a blend of mix and fresh ores and reclaimed tails to 3.0Mtpa when processing 100% fresh ore mined from the open pits. During the last four years processing operations are limited to processing fresh ore only prior to planned depletion of the Ore Reserves in 2034.

Total ore processed (Table 12-19) is reported at 35.6Mt grading 1.60g/tAu with weathering type

(Table 12-20; Table 12-21) ores contribution by tonnage reported at 27.3%, 8.9% and 63.8% for oxide, transitional and fresh ores. The weighted average metallurgical recovery projected over the LoMp is estimated at 90.5% (Table 12-22) with recoveries for oxide, transitional and fresh ores reporting 96.0%, 90.0% and 88.6% respectively.

The proportion of fresh ore processed increases from 12% in 2024 through to 90% in 2028 and largely remaining at this level prior to depletion of the Ore Reserves in 2034. Over the LoMp period metallurgical recoveries are assumed to continue to range between 94.2% and 88.6% with the lower recoveries reflecting processing of the fresh ores.

Operating expenditures are derived based on assumptions which vary by deposit and in certain instances by weathering type as reported in Table 12-23. The weighted average LoMp processing costs is forecasted at US$13.28/$t_{milled}$.

Table 12-19: Kalana Development Property: process inventory by ore source

Processed	Ore Mined			Stockpile			Ore Processed		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Fresh	18,577	1.68	1,003	3,309	0.92	98	21,886	1.57	1,101
Laterite	334	0.93	10	385	0.83	10	719	0.88	20
Oxide	7,724	1.84	458	1,272	0.85	35	8,996	1.70	492
Transition	2,733	1.69	149	443	1.54	22	3,176	1.67	171
Tails	640	1.60	33	180	1.90	11	820	1.67	44
Total	**30,007**	**1.71**	**1,653**	**5,589**	**0.98**	**176**	**35,596**	**1.60**	**1,829**

Table 12-20: Kalana Development Property: process inventory by material weathering classification

Processed	Ore			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Kalana	33,617	1.58	1,703	8,647	1.58	438	3,085	1.64	163	21,886	1.57	1,101
Kalanako	1,159	2.21	82	1,068	2.17	74	91	2.63	8	-	-	-
TSF	820	1.67	44	-	-	-	-	-	-	820	1.67	44
Total	**35,596**	**1.60**	**1,829**	**9,715**	**1.64**	**513**	**3,176**	**1.67**	**171**	**22,706**	**1.57**	**1,145**

Table 12-21: Kalana Development Property: process inventory by material weathering classification (% tonnage contribution)

Processing	Tonnage				Contribution		
	Oxide (kt)	Transition (kt)	Fresh (kt)	Total (kt)	Oxide (%)	Transition (%)	Fresh (%)
Kalana	8,647	3,085	21,886	33,617	25.7	9.2	65.1
Kalanako	1,068	91	-	1,159	92.2	7.8	-
TSF	-	-	820	820	-	-	100.0
Total	**9,715**	**3,176**	**22,706**	**35,596**	**27.3**	**8.9**	**63.8**

Table 12-22: Kalana Development Property: production by deposit and weathering profile and metallurgical recoveries

Processing	Production				Recovery			
	Oxide (kozAu)	Transition (kozAu)	Fresh (kozAu)	Total (kozAu)	Oxide (%)	Transition (%)	Fresh (%)	Total (kt)
Open Pits	492	154	976	1,622	96.0	90.0	88.6	90.9
TSF	-	-	33	33	-	-	-	74.8
Total	**492**	**154**	**1,009**	**1,655**	**96.0**	**90.0**	**88.6**	**90.5**

Table 12-23: Kalana Development Property: operating expenditures

Deposit	Processed (kt)	Opex (US$/t)	(US$m)
Total	**35,596**	**13.28**	**472.7**

12.6 Waste Management

The waste management facilities assumed for the Kalana Development Property assumes construction of a single TSF and two waste rock dumps. The facilities have been designed to pre-feasibility study level and are reported upon in the Kalana 2021 PFS. Further work is planned in 2021 to advance the study to feasibility study level.

12.6.1 Tailings Storage Facility

Two TSFs exist within the Kalana Development Property area: the "**TSF Proper**" located halfway between Kalana and Kalanako, and the small TSF (the "**Shaft No. 2 TSF**") located within the fence close to the existing process plant.

TSF Proper is located outside the Kalana underground mine fence, 600m northeast or approximately halfway to Kalanako. It was originally constructed in the 1990s by SOGEMORK as a single impoundment in the shape of an elongated horseshoe. SOGEMORK subsequently sub-divided it to retain approximately 200kt of underground tailings and 50kt of oxide tailings in separate zones.

TSF Proper was re-opened in 2004 with a three-metre lift, and extended in 2006, 2012 and 2016 by SOMIKA (Avnel) and closed (i.e. no new material added, not covered or rehabilitated) in December 2017 by SOMIKA. It is an upstream construction, side-hill impoundment design and has a similar footprint to that created by SOGEMORK with a number of lifts.

Shaft No. 2 TSF is located within the Kalana underground mine fenced perimeter, to the west of the old ventilation shaft. It was the original open-pit excavated by SOGEMORK in the 1980s and was subsequently infilled with plant tailings from underground workings generated by SOMIKA (Avnel) between 2004 and 2009.

The current LoMp assumes the reprocessing of some 820kt of historical tailings and a **"New TSF"** is planned to be constructed as part of commissioning the new project. The New TSF will comprise a two-cell paddock storage facility formed by multi-zoned earth fill embankments, comprising a total footprint area (including the basin area) of approximately 77ha for the Stage 1 TSF, increasing to 239ha for the final TSF. For Stage 1, only Cell 1 will be constructed. Cell 2 will be commissioned in Year 3 of operation.

The New TSF is designed to accommodate a total of 35.6Mt of tailings. Stage 1 is designed for 18 months storage capacity. Subsequently, the New TSF will be constructed in annual raises to suit storage requirements; however, this may be adjusted to biennial raises to suit mine scheduling during the operation.

Downstream raise construction methods will be utilised for all New TSF raises of the perimeter embankments. The perimeter embankment upstream face will be lined with textured HDPE geomembrane liner, to allow safe egress from the New TSF. A downstream seepage collection system will be installed within and downstream of the New TSF perimeter embankments, to capture and return seepage from the New TSF.

The New TSF basin area will have a 200mm thick compacted soil liner with a 1.5mm HDPE geomembrane liner overlying the compacted soil liner. An underdrainage system will be installed to reduce pressure head acting on the basin liner system, reduce seepage, increase tailings densities, and improve the geotechnical stability of the embankments. A LCRS will be installed beneath the basin composite liner, to reduce water pressure build-up on the HDPE liner.

Supernatant water will be removed from the New TSF via submersible pumps located within a decant tower in each cell. The supernatant pond will be maintained in the centre of the New TSF. Solution recovered from the decant system will be pumped back to the plant for re-use in the process circuit. An operational emergency spillway will be available at all times for each cell during New TSF operation. The New TSF is designed with sufficient storage capacities to comply with design criteria. Surface water diversion structures around the New TSF, waste dumps and Kalana open pit have been designed on the basis of a 1:100-year Annual Return Interval storm event. The New TSF is designed to hold the tailings plus the design rainfall conditions, and thus has sufficient storm water storage capacity for all design storm events and rainfall sequences.

A pipeline containment trench will be constructed during Stage 1 to contain both the tailings delivery pipeline and decant return pipeline between the New TSF and the Kalana CIP Plant site, to reduce environmental impact if the pipeline bursts. The closure strategy comprises;

development of shallow downstream dam slopes during operations (1V:3.5H overall slopes); and, a final soil cover (design subject to ongoing testing and review). A total of US$12.5m has been assigned to development of the starter TSF (or US$2.6/dry tonne of tailings deposited in the first 18 months of operations)

12.6.2 Waste Rock Dumps

The Kalana 2021 PFS assumes construction of two waste rock dumps, the Kalana WRD located immediately to the west o the Kalana open pit and the Kalanako WRD located immediately to the south west of the Kalanako open pits. The WRD have been designed to facilitate storage of 240Mt of rock mined from the open pit operations.

12.7 Infrastructure

The existing Kalana process plant was designed and constructed using Soviet engineers, technology and equipment between 1982 and 1985 and was originally designed for a throughput of 3,600tpm. This historical plant will be fully demolished, and the site made safe prior to the commencement of construction activities for the new Kalana CIL Plant.

The overall site development plan is shown in Figure 12-5. The figure shows the major features of the Project and its infrastructure including the process plant, tailings storage facility, accommodation camp, roads, mine services area and mine open pit.

The process plant and tailings storage facility will be located on the north eastern side of the open pit, outside of the 350m blast zone. The ROM pad location has been selected for its centralised location close to the pits as well as proximity to the mine services area. The accommodation camp will be located north of the process plant.

The 4.9km main access road will approach the site from the south east and connect to RN8, part of the regional road network between Yanfolila and Bougouni. The layout provides easy access for personnel and material movements.

The Kalana CIP Plant will be fenced to prevent animal access and deter access by unauthorised persons. Monitored high security fencing will surround the process plant and road access into the fenced area will be through a manned checkpoint. Security fencing will surround the accommodation camp and general site infrastructure.

The total capital expenditure estimate for construction and commissioning of the Kalana Development Property is estimated at US$297.0m which includes:

- US$163.0m for the principal construction packages: process plant (US$68.3m); reagents and plant services (US$16.1m); infrastructure (US$43.1m); mining (US$16.9m); and construction distributable (US$18.6m);
- Management costs of US$21.7m;
- Owners project costs of US$67.5m;
- Working Capital injection of US$5.7m;
- Contingency of US$35.8m; and
- Feasibility Study costs of US$3.3m.

12.7.1 Access and Transportation

The total length of the site access roads is 13.8km and the site access road and major on-site roads will consist of two 3.5m width running lanes with a 1m shoulder each side of the road, for a total formation width of 9m.

Allowance has been made for minor roads and tracks around the process plant to facilitate operations and maintenance access. These include the tails pipeline is 4,000m long from the

process plant to the farthest discharge point. A track has been included from the plant to the north west corner of the embankment. From here access will be over the embankment wall. Access roads (unsealed) have been allowed to the main accommodation camp (450m), and the security camp (800m).

A preliminary non-instrument design has been allowed for the proposed airstrip, based on the nominated airstrip location 4km north of the Kalana CIP Plant. No site investigation has been completed at this stage and a fully automated weather station is included together with refuelling facilities. The airstrip design was completed using a Pilatus PC-12 as the design aircraft, based on previous Group projects. The prevailing wind direction is north-north-east for the Bouake station. The proposed airstrip alignment runs parallel to the prevailing wind direction. The runway running surface is 800m long and 18m wide and the surrounding runway strip is 80m wide.

12.7.2 Power Supply and Distribution

The estimated installed load and maximum demand for the Kalana Development Property is estimated at 29MW and 19.2MW respectively.

The existing mine is supplied by a 66kV overhead transmission line from Yanfolila substation located approximately 51km away from the site. A new 66kV bay and transformer will be installed at the Yanfolila substation and a new 66kV transmission line run to a new 66/11kV substation installed adjacent to the process plant. The 66kV supply voltage will be stepped down to 11kV at this substation via a 25/33MVA step down transformer.

The electrical system for the property is based on 11kV distribution and 415V working voltage. System frequency is designed at 50Hz. The largest drives within the process plant are the ball and SAG mill motors (both 6,000kW). From the 66/11kV switchyard, the 11kV supply will be reticulated from a tariff metered plant feeder to the process plant 11kV switchboard. Remote loads such as the camp loads will be fed via 11kV overhead transmission lines. The main process plant will have four containerised switchrooms. Emergency power generators will be supplied at the main plant (2,000kVA).

12.7.3 Water Supply and Water Management

The raw water supply to the Kalana CIP Plant will be sourced from the Kalana open pit. The quality and treatment requirements for this water has not yet been clearly defined and a dedicated raw water treatment facility is currently excluded from the scope of the Kalana 2021 PFS.

The water balance modelling included the TSF with a view to determining site water storage requirements. Design wet conditions were modelled to ensure that the TSF is designed with sufficient storage capacities to comply with design criteria. A constant pit dewatering rate of 605m^3/h from the Kalana open pit as predicted by hydrogeological modelling, was used for the water balance modelling and will be available to provide make up and raw water to the process plant. It was assumed that any excess water generated from pit dewatering will be discharged directly off site.

The modelling predicts that the Kalana Pit dewatering supply (605m^3/h) is sufficient to supply all raw and make-up water requirements for average and design dry climatic conditions, while the maximum annual discharge to the environment of excess water from the Kalana open pit dewatering (after abstraction of raw water requirements) under design wet conditions is 3.6Mm^3/year.

A preliminary groundwater desktop assessment was conducted for the Kalanako open pit. With limited hydrogeological data available, conclusions were based on data from the Kalana area

assuming similar hydrogeological conditions. On this basis the preliminary, estimated total Kalanako inflow for both pits ranges between 3,110m^3/day (129m^3/h) and 4,147m^3/day (173m^3/h).

Raw water will be sourced from bores around the site and pumped to a raw water storage tank located adjacent to the potable water treatment facility at the process plant. A vendor package modular potable water treatment plant including filtration, ultra-violet sterilisation and chlorination will be installed. Potable water will be stored in the plant potable water tank and will be reticulated to the plant buildings, site ablutions, safety showers and other potable water outlets. Potable water for the accommodation camp will be pumped from the water treatment plant at the plant site to a water storage tank at the camp. The tank will provide two-day reserve storage in the event of supply line disruptions. Water will be delivered into the camp reticulation system using a constant pressure variable flow pump system. The pump skid will include a ultraviolet disinfection unit to provide additional security against contamination.

12.7.4 Hydrocarbon Storage

A vendor supplied fuel storage and pumping system will be supplied as part of the fuel supply contract. This will include two 12,000m^3 double skinned self-bunded fuel storage tanks and pump skids, a transfer pumping system to fuel the heavy vehicles in the mine services fuel bay, a transfer pumping system to fuel the light vehicle bowsers, a lubricants storage facility.

12.8 Human Resources

The total human resources compliment for the Kalana Development Property is estimated at 1,155 of which 710 are related to the mining contractor.

12.9 Environmental and Social Management

The 2016 ESIA report was compiled by Epoch Resources and was based on an ESIA process that included community engagement and two years of baseline studies archaeological and cultural heritage studies, ecology studies and water studies. The Group has since commissioned further studies, including a social impact study by Insuco (documented in a draft report dated May 2018) and an ESIA of the resettlement site by Environmental and Social Development Company – SARL (documented in a report dated July 2018). New ESIA and RAP processes are planned for 2021 and they will be undertaken concurrently with the planned feasibility study.

12.9.1 Environmental Authorisations

New environmental and RAP approvals are to be obtained for the Kalana Development Property. Existing approvals, obtained in 2016, are no longer valid. One reason is that alternative mine layouts are under consideration and the other is that the 2016 environmental permit (Permit Decision 2016/MEADD-SG) included a condition that the project must be implemented within three years, failing which a new ESIA would be required.

The above-mentioned expired approvals were for the mine described in the 2016 feasibility study and the corresponding 2016 ESIA report and RAP reports. This mine involved open pit mining of the Kalana deposit and relocation of 438 households.

The Kalana 2021 PFS for the mining of both the Kalana and Kalanako deposits, using open pit methods, indicates that Kalanako Stream will need to be diverted and more people will need to be resettled. New ESIA and RAP processes will be undertaken concurrently with the planned feasibility. These will either amend the existing ESIA and RAP reports or produce new reports.

Other approvals that are likely to be required are water permits and approval for road realignments (including the Yanfolila-Kalana road).

12.9.2 Environmental and Social Matters

Environmental and Social Setting

Livelihoods in the Sikasso Region are based on agriculture and mining, including artisanal mining. The region is the wettest of all the regions of Mali and produces a diversity of crops including cotton and tea cash crops. There are land conflicts arising from nomadic pastoralism that extends from other regions of Mali into the Sikasso Region, the herders from other regions are seen to encroach on agricultural land used by local communities.

The Kalana Development Property is in the Gouandiaka commune. In this commune, artisanal mining is a primary source of income for many households. Local communities also grow crops (including maize, grain, legume and cotton crops) and undertake market gardening (vegetables and fruits). Livestock farming is also an important subsistence activity.

The Kalana deposit underlies the town of Kalana, which has a population of over 7,000 people living in 1,000 households. The town grew around the underground mine and the Kalanako deposit is currently being mined by unlicensed artisanal miners.

The proposed Kalana pit is south of the non-perennial Kalanako Stream a tributary of the Bale River. The Bale River is in the Niger River basin and, 35km north of the project area, enters Lake Sélingué, a 409km^2 artificial lake formed by the damming of the Sankarani River completed in 1982.

Streams in the project area are disturbed places, nearby villages and by livestock watering and artisanal mining. Artisanal mining in some streams has caused transformation of riparian and aquatic habitats.

Minor streams in the project area dry up during the dry season, and major streams are generally reduced to isolated ponds with little or no flow. However, the wetland areas and streams were found to support a diversity of fish specifies with adapted to low-flow, well-vegetated habitats. Most of fish sampled were juveniles, indicating that the streams provide good habitat for breeding and there are no major migratory boundaries between the Kalana area and downstream wintering habitat.

The natural vegetation is savanna. Elephant and hippopotamus are among the larger mammals seen in the project area. There are abundant wetlands bordered by large well-developed trees. Natural resources in the wetlands and streams are used by local communities for food and building materials.

Groundwater in the vicinity of the project shows evidence of significant recharge (increased well yield and water level) in the wet season. Alluvial and laterite aquifers are recharged by direct infiltration during the wet season that subsequently recharge the saprolite and bedrock aquifers. Results and observations from drilling and underground mining suggest the aquifers extend well below 150m below ground level (mbgl). About 50 boreholes are known to be important water sources for local communities.

Formal employment in the area typically consists of teachers, government employees, non-governmental organisations and employees of the former Kalana mine. The wider project area includes access to a variety of infrastructure facilities, including 11 medical centres and 18 education facilities, including five madrassas, privately funded Islamic teaching institutions. Malaria is the top health risk in the project area

Approach to Environmental and Social Matters

The mine is not operational so there is no formal environmental management system. There have been a series of environmental and social studies. Engagement with regulatory

authorities and local communities was undertaken as part of these studies and continues ahead of the new ESIA and RAP studies.

Resettlement

The 2016 FS and associated ESIA and RAP studies predicted 438 households would need to be relocated from the site of the mine and buffer zones (a 350m buffer zone around the Kalana pit and a 100m buffer zone around other infrastructure). The selected resettlement site was northeast of Kalana.

More households will be affected by the development being proposed in the 2021 FS because there are two pits, the Kalana open pit perimeter will be larger, and the exclusion zone will be increased. Community infrastructure and three cemeteries will also need to be relocated. In addition to physical displacement, there will be economic displacement arising from occupation of agricultural land, loss of fruit trees, diversion of the Kalanako Stream and exclusion of artisanal miners from the deposits.

The number of affected households will be determined by means of a new RAP process to be undertaken concurrently with the planned 2021 FS for the Kalana Development Property. A detailed schedule and cost estimate will be prepared as part of the RAP process. The Group intends to undertake the resettlement in accordance with the IFC Performance Standards. Consultation with local communities to date indicates the following are key concerns for the community:

- Loss of land for crop cultivation and market gardening, coupled with concern that this will be difficult to replace as there is much competition for local in the commune;
- Loss of income from artisanal mining; and
- Loss of water supplies.

The resettlement process could be complicated by uncertain land tenure in the project area. The land tenure is based on customary regimes. There are customary landowners and users of land who lease land from the landowners. Land-use agreements are commonly not formalised and oral agreements are sometimes called into question, especially when there are deaths of parties to the agreements. In addition, women generally do not have rights to land, they access land through their husbands or third parties.

The Kalana Development Property infrastructure will be largely in the customary territory of Daolila and Kalako communities. Kalana town is in Daolila territory and the proposed Kalanako pit is in Kalako territory. The resettlement village will be on the border of the Daolila and Diabala customary territories. Depending on the layout of infrastructure, the project may also extend into Faboula customary territory.

Kalana town is unusual in that very few of the households in the town have lease arrangements for the agricultural land they use. Residential land is sold by the village chief and allocated by the municipal council.

Other Issues

- **Water Issues:** The Kalana Development Property will have significant negative effects on water resources including diversion of streams, dewatering of aquifers and changes to flow regimes in watercourses. Impacts on surrounding water users and the downstream river ecosystem have not been defined yet. The volume of dewatering required will be substantial. Dewatering of the existing underground workings is predicted to be in the order of 5,500m^3/day.

  Variable annual precipitation and torrential rain during the wet season will need to be

addressed in the project design. Climate change adaptation requirements will also be important to consider, especially in the design of the mine waste disposal facilities and the closure plan.

The project area is within the upper catchment of the Niger River, which has a dedicated multinational management regime called the Niger Basin Authority ("**NBA**") who have a remit to ensure the navigability and cleanliness of the Niger River.

The project will remove a historical TSF that is known to be a source of leachates enriched with arsenic and other metals. Baseline groundwater quality is considered good, with near neutral pH, low total dissolved solids (70mg/l to 573mg/l, and low metal concentrations, with the exception of arsenic, which although does not exceed the World Bank Guidelines for mine water discharge (0.1mg/l) does exceed the WHO drinking water standard of 0.01mg/l.

The potential for generation of ARDML from extractive waste has been identified as low, based on static geochemical test work on 51 samples from mineralised zones;

- **Impacts on Wetlands:** The project will impact on wetlands. The impact on this on biodiversity and ecosystem services is yet to be defined. The Kalanako Stream diversion will need to be designed to ensure that lost wetland and fish-breeding habitats are restored; and
- **Nuisance:** Key environmental parameters monitored for at present are nuisance parameters, including dust fallout and noise (particularly night-time noise). Both noise and dust fallout are regarded as being high, with noise levels already exceeding international guidelines.

12.9.3 Mine Closure

There are two closure plans for the mine that are no longer valid as they do not apply to the future mine being planned. One was prepared by Metago Engineers (Pty) Ltd in November 2006 and applies to the historical underground mine. The other was compiled by Epoch Resources (Pty) Ltd in March 2016 and includes the open pit proposed in 2016.

The Foundation Agreement includes a statement whereby the state agreed that all environmental damage at the site prior to the signing of the agreement was to be retained as a liability of the State. However, these liabilities are not well defined. New operations and infrastructure since the signing of the agreement in 2003 will be the liability of SOMIKA.

The 2006 closure plan includes a closure cost estimate of US$1.5m, which cannot be considered as an estimate of historic liability. It makes a number of assumptions, including:

- The arsenic shed clean-up costs not accounted for in the closure cost as it remains the liability of the state;
- Buildings including the camp, administration building and workshops will be retained for community use;
- That certain key infrastructure such as metallurgical plant, headgear and buildings can be salvaged; and
- Waste rock can be sold as an aggregate.

The 2016 closure plan is a conceptual plan and it assumes the pit, waste rock dump and TSF will be permanent features of the landscape. It is proposed that the mine wate facilities will be covered with growth medium. Access to the pit will be prevented (as far as possible) by constructing a fence. The estimate cost of closure in the 2016 plan is approximately US$11.8m.

Notwithstanding the above, the Kalana 2021 TR includes a total closure cost estimate of US$29.5m. Whilst this is not accompanied with any further granular detail, the estimate is

considered appropriate as a preliminary estimate when compared with other benchmarks. In addition to the mine closure costs, the retrenchment costs are estimated at US$5.5m which provides for a total Environmental and Social Liability estimate of US$35.0m.

12.10 Technical-Economic Parameters

The following section includes details relating to the key technical and economic parameters as they relate to the Kalana Development Property with specific focus on annual projections of production reflecting the Ore Reserves LoMp, commodity sales, operating expenditures and capital expenditure (Table 12-24; Table 12-25). These items are the primary constituents which in conjunction with sales revenue, inventory adjustments, determination of non-cash deductible allowances, determination of working capital movements are utilised to generate the annual cashflow forecasts as reported in Section 15 of this CPR.

Physical Production

The LoMp production profile is based on the aggregation of projected production for each of the deposits as reported in Section 12.4 and Section 12.5 of this CPR which projects processing of a total of 35.6Mt grading 1.60g/t with weighted average recovery of 90.5% to produce 1.7Moz of gold. The LoMp assumes commencement construction activity commencing in Q1 2022 with the mainstay of growth capital expended in 2022 and 2023 with mining production commenced in H1 2023 and processing operations commencing in Q1 2024 and continuing through to depletion of Ore Reserves in H1 2034.

Production and Commodity Sales

The production profiles are based on the current Kalana 2021 PFS which assumes depletion of the Ore Reserves reported at 31 December 2020. Total gold poured is determined at 1,655koz and inclusion of GIC and FG adjustments results in total sales of 1,655koz. Gold production is planned to reduce from 240 in 2024 to 150 by 2027 and generally remaining at this level until 2029, thereafter reducing to approximately 130koz by 2032.

Sales Revenue

Sales Revenue is determined in accordance with the Consensus Market Forecast as reported in Section 2 of this CPR and whilst not included in the TEPs below, is incorporated into the LoMp cashflows as reported in Section 15 of this CPR.

Operating Expenditure

The operating expenditure forecast for the Kalana Development Property is based on a combination of first principle estimates derived from cost models for primary production and support function activities as incorporated into the Kalana 2021 PFS. The key operating cost assumptions comprise:

- Mining and processing operating expenditures reporting a weighted average LoMp estimate of US$2.71/$t_{mined}$ for open pit and TSF reclaim operations and US$13.28/$t_{milled}$ for processing operations;
- Site General and Administration annual operating expenditures assumed at US$12.8m in 2024, thereafter remaining constant over the LoMp period and reducing to US$9.6m in the final year of operations;
- The Group also provides services, from its regional administration centre in Abidjan with respect to various administrative support functions. For internal business planning purposes these costs are allocated to the operating mines to determine certain cash cost reporting metrics but are not actually charged to the operations as an incurred expense. The

forecasted expenditures for these aggregated services across the Group are assessed in accordance with the number of operating entities and as such the annual quantum incurred will vary as the number of operations reduce in any given period as Ore Reserves are depleted. In this instance the total quantum allocated per period varies and as such the resulting unit cost will also vary per calendar period. For calendar 2024 the cost allocation is US$4.7m and the LoMp weighted average unit rate per tonne milled is estimated at US$0.83/t;

- Consumable commodity prices inclusive of base prices, transport costs and duties comprising for primary consumables as incorporated into the Kalana 2021 PFS;
- Royalties determined in accordance with the sliding scale referenced in Section 10.2, other related third-party royalties (the Acacia Royalty as defined herein) and the assumed gold price forecast. Note that the TEPs as reported below do not include the determination of the payable royalties and these are reflected in Section 15 which also includes all other relevant parameters including the gold price assumptions necessary to determine sales revenue and ultimately annual cashflows;
- Realisation charges are based on the offtake agreements with contracted refineries and are assumed at a unit cost of US$3.00/oz which includes the cost of transportation, refining and insurances; and
- Capitalised waste is determined in accordance with the relevant accounting policies tax legislation in Mali which assumes the variance between the LoMp average stripping ratio and the stripping ratio incurred in calendar period.

Capital Expenditure

Forecast capital expenditures comprise annual estimates for the following items:

- Growth and non-sustaining capital expenditures totalling US$318.8m all of which is related to the construction and commissioning of the mining and processing operations and RAP;
- Sustaining capital expenditures of US$36.5m which includes TSF construction and ongoing embankment lifts, allowances for road maintenance, major shutdown maintenance and repair crew costs, pit dewatering, light vehicle replacement costs and administrative capital budget;
- Capitalised waste of US$66.7m; and
- Environmental and Social Liabilities comprising allocations for pre-closure, closure and post closure activities and in addition the retrenchment costs incurred on cessation of operations which is estimated at US$35.0m.

Table 12-24: Kalana Development Property Technical Economic Parameters

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	275,775	-	-	10,836	28,945	30,320	30,155	30,361	28,606	27,629
Waste	(kt)	240,179	-	-	9,199	24,743	26,144	25,999	26,957	25,029	24,483
Ore	(kt)	35,596	-	-	1,637	4,203	4,176	4,156	3,404	3,577	3,146
	(g/tAu)	1.60	-	-	1.87	2.00	1.63	1.55	1.62	1.54	1.74
	(kozAu)	1,829	-	-	98	271	218	207	178	178	176
Stripping Ratio	(t_{waste}:t_{ore})	6.7	-	-	5.6	5.9	6.3	6.3	7.9	7.0	7.8
Ore Processed	(kt)	35,596	-	-	781	3,269	3,668	3,514	3,339	3,155	3,152
	(g/tAu)	1.60	-	-	2.75	2.47	1.75	1.66	1.56	1.66	1.66
	(kozAu)	1,829	-	-	69	259	206	188	167	169	168
Recovery	(%)	90.47	-	-	94.18	93.71	91.72	91.06	89.74	88.87	89.18
Production	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Poured	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Sales											
Gold	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Operating Expenditure											
Mining	(US$m)	(746.5)	-	-	(13.72)	(56.64)	(64.52)	(73.57)	(78.92)	(82.18)	(80.79)
Processing	(US$m)	(472.7)	-	-	(8.75)	(36.63)	(41.67)	(42.50)	(43.58)	(44.73)	(44.06)
SG&A	(US$m)	(141.2)	-	-	(3.21)	(12.84)	(12.84)	(12.84)	(12.84)	(12.84)	(12.84)
CG&A	(US$m)	(29.6)	-	-	(1.47)	(4.62)	(3.75)	(3.57)	(3.65)	(2.10)	(2.31)
Realisation	(US$m)	(5.0)	-	-	(0.19)	(0.73)	(0.57)	(0.51)	(0.45)	(0.45)	(0.45)
Capitalised Waste	(US$m)	66.7	-	-	-	-	-	3.04	10.20	3.25	10.49

Statistic	Units	LoMp Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total	**(US$m)**	**(1,328.3)**	**-**	**-**	**(27.34)**	**(111.45)**	**(123.34)**	**(129.96)**	**(129.25)**	**(139.05)**	**(129.95)**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	(318.8)	(3.05)	(168.72)	(125.02)	-	(8.46)	(13.53)	-	-	-
Sustaining	(US$m)	(36.5)	-	-	-	(2.80)	(3.39)	(3.68)	(3.98)	(4.27)	(4.27)
Capitalised Waste	(US$m)	(66.7)	-	-	-	-	-	(3.04)	(10.20)	(3.25)	(10.49)
Environmental Closure	(US$m)	(35.0)	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(457.0)**	**(3.05)**	**(168.72)**	**(125.02)**	**(2.80)**	**(11.85)**	**(20.25)**	**(14.17)**	**(7.52)**	**(14.76)**

Table 12-25: Kalana Development Property Technical Economic Parameters

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	29,626	27,074	22,380	8,820	1,022	-	-	-	-	-
Waste	(kt)	27,450	23,736	18,892	6,768	779	-	-	-	-	-
Ore	(kt)	2,176	3,338	3,489	2,052	243	-	-	-	-	-
	(g/tAu)	1.52	1.24	1.42	1.40	1.61	-	-	-	-	-
	(kozAu)	106	133	159	93	13	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	12.6	7.1	5.4	3.3	3.2	-	-	-	-	-
Ore Processed	(kt)	3,403	3,059	3,001	3,003	2,252	-	-	-	-	-
	(g/tAu)	1.40	1.28	1.53	1.19	0.83	-	-	-	-	-
	(kozAu)	153	126	148	115	60	-	-	-	-	-
Recovery	(%)	90.30	88.73	88.60	88.61	88.63	-	-	-	-	-
Production	(kozAu)	138	112	131	102	53	-	-	-	-	-
Poured	(kozAu)	138	112	131	102	53	-	-	-	-	-
Sales											
Gold	(kozAu)	138	112	131	102	53	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(80.34)	(85.33)	(77.25)	(38.55)	(14.74)	-	-	-	-	-
Processing	(US$m)	(43.66)	(44.86)	(44.46)	(44.46)	(33.32)	-	-	-	-	-
SG&A	(US$m)	(12.84)	(12.84)	(12.84)	(12.84)	(9.63)	-	-	-	-	-
CG&A	(US$m)	(2.74)	(1.24)	(1.72)	(2.42)	-	-	-	-	-	-
Realisation	(US$m)	(0.42)	(0.34)	(0.39)	(0.31)	(0.16)	-	-	-	-	-
Capitalised Waste	(US$m)	33.54	6.19	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(106.45)**	**(138.42)**	**(136.66)**	**(98.57)**	**(57.85)**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(4.27)	(3.68)	(3.09)	(2.80)	(0.30)	-	-	-	-	-
Capitalised Waste	(US$m)	(33.54)	(6.19)	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	-	-	-	(8.75)	(26.25)	-	-	-	-	-
Total	**(US$m)**	**(37.81)**	**(9.87)**	**(3.09)**	**(11.55)**	**(26.55)**	**-**	**-**	**-**	**-**	**-**

12.11 Risks and Opportunities

The key **risks** relating to Fetekro Development Property are:

- **Geological Modelling and Mineral Resource:** Both the Kalana and Kalanako models were updated in 2020 and the approach used for both Kalana and Kalanako is generally consistent, and appropriate for the mineralisation style. The wireframing approach was based on a nominal threshold of 0.2g/tAu, although wireframes were adjusted to consider the presence of quartz veins, visible gold, and structures known to be associated with mineralisation. Only limited structural data has been captured for Kalanako, and as such, the current interpretation matches trends shown, but could also be improved by the integration of further structural studies.

  In order to maintain continuity during the wireframing exercise, a significant number of low grade (i.e. less than 0.2g/tAu) intervals have been included. The wireframes occasionally pinch and swell between drillholes, which is a result of the sectional approach taken. Barren drillholes have also been includes in some limited areas to maintain continuity. Although these minor aspects regarding the wireframes, the categorical approach used for block grade estimates reduces the impact of this. As such, the wireframing approach are considered to be valid.

  The variograms used to produce the OK and LUC estimates at Kalana are reflective of the high nugget effect and short range, making local estimates difficult to validate. This is to be expected in mineralisation which typically demonstrates visible, coarse gold. The LUC estimate also uses a selective mining unit size which may not relate to the anticipated mining. As the LUC estimate is not used for reporting the Mineral Resources, SRK does not consider these aspects to be material.

  In the case of the Kalana TSF a 4% difference exists in volume between the pre-2004 surveyed TSF volume plus subsequent production records (totalling 877kt), versus the more recent volume surveys totalling 845kt. The latter volume estimate was generated using

contour data and an extrapolation of the pre-deposition topography representing the base of the TSF. The tailings were derived from a gravity only processing circuit, which focussed on the recovery of the coarse gold fraction only, meaning that the tailings are understood to contain a significant proportion of the unrecovered gold. Furthermore, part of the tailings dam lies within the limits of the planned open pit, meaning that the material will need to be recovered as part of the mining process. Given the degree of uncertainty regarding the partial production records and surveys, as well as sample quality and representivity, the Indicated classification applied to the Kalana TSF is considered appropriate;

- **Project Development Risk:** the LoMp as reported herein is based on the results of the Fetekro 2021 PFS and further work is planned to advance this to feasibility study level. Accordingly, there remains a risk that collation of additional site-specific information and furthering the technical studies to feasibility study level may result in assumptions which are different from that presented herein; and
- **Environmental and Social Risk:** As intended, complete an updated ESIA for the Kalana Development Property. The ESIA should define impacts on people and biodiversity and ecosystems in detail, considering that the project will displace many people, dewater aquifers, divert watercourses and impact on wetlands. Other key focus areas to be addressed comprise:
  - completion of a detailed RAP for the project,
  - completion of a detailed closure plan and cost estimate for the project and clearly define historic liabilities,
  - undertaking further work on ARDML potential, including kinetic test work, with careful correlation of the results with the lithologies to be mined and wastes to be produced,
  - determine water treatment needs and costs for water discharged from the mine site and mine waste facilities, and
  - ensure that future climate predictions are included in the ESIA, RAP, closure plan and project design.

The key **opportunities** relating to Kalana Development Property are largely related to the completion of further exploration within the Kalana Licence. Exploration studies completed to date indicate that exploration and resource delineation drilling should be continued to the southwest of Kalanako, in the Kalanako North Extension area, Bandiala, Tonda, etc. where gold showings and historical artisanal workings have been identified in conjunction with soil and geophysical anomalies. The Djirila deposit is within a reasonable trucking distance (22km southwest) from the Kalana CIL Plant and should be reviewed in regard to identifying possible additional Mineral Resources. An exploration program of US$0.3m is budgeted for 2021.

13 ADVANCED EXPLORATION PROPERTIES

13.1 Introduction

The following section includes discussion and comment on the Group's AEPs defined as properties for which Mineral Resources have been declared but for which the supporting technical work is not sufficiently advanced to support reporting of Ore Reserves. Specifically, the properties comprise: the Golden Hill AEP; the Bantou SEP; and the Nabanga AEP. These projects are presently the subject of continued review and advancement to completion of PFS where warranted. Preliminary economic assessments have been undertaken on certain of the projects under prior ownership which are essentially considered equivalent to conceptual/scoping studies. These include assumptions in respect of forecast production, operating and capital expenditures to determine economic assessments of the specific projects. The Group has not yet had the opportunity to reassess these projects and consider alternative development strategies. Further exploration programmes are currently underway on some of the projects. As such the sections relating to each of the AEPs in this chapter is limited to disclosure of Mineral Resources and all supporting technical discipline studies completed to date.

The current Mineral Resource Statements as reported for the Advanced Development Properties are those reported in the 2020 Statements. This section includes discussion and comment on historical (non-current) Mineral Resources as a point of comparative reference and historical fact and are re-reported herein, in summarised form, from the Company's public domain historical disclosure all of which were reported at the time of reporting in accordance with CIM Definition Standards. For the avoidance of doubt, these historical statements have not been reviewed by SRK and are presented merely as a point of historical reference.

13.2 Golden Hill Advanced Exploration Property

The Golden Hill AEP is an advanced exploration property which was acquired by the Group as part of the Teranga Acquisition on 10 February 2021. The Golden Hill AEP straddles the same stratigraphy and geological structures that host the Mana Gold Mine and Houndé Gold Mine deposits.

The Golden Hill AEP comprises three expired exploration permits which extend over an area of 468.0km^2: the "**Baniri Permit**" (144.7km^2); the "I**ntiédougou Permit**" (231.7km^2); and the "**Moungué Permit**" (91.6km^2), collectively the "**Golden Hill Permits**". These permits are presently the subject of an application for an exploitation licence; however, the Group is currently considering consolidation of the permits into a single exploration permit in line with its post-acquisition rationalisation programme and implementation of its planned work programme for 2021. The current Mineral Resource estimates as reported in the 2020 Statements comprise four deposits: Ma, Peksou/C-Zone, A and B-Zone, Jackhammer Hill and Nahiri all of which are located on the Intiédougou Permit. The Ma and Peksou/C-Zone deposits contributes a total of 87% of the total contained gold reporting to the Mineral Resources for the Golden Hill AEP in the 2020 Statements.

As of 31 December 2020, Golden Hill reports a total Mineral Resource of 24.1Mt grading 1.83g/tAu for contained metal of 1.42Moz of gold comprising:

- Indicated Mineral Resources of 12.6Mt grading 1.85g/tAu and containing 752kozAu; and
- Inferred Mineral Resources of 11.5Mt grading 1.81g/tAu and containing 669kozAu.

All Mineral Resources are reported as potentially economic considering open pit mining methods and are reported within an optimised shell assuming a long-term gold price of US$1,800/oz which is included in the Golden Hill 2020 TR as published by Teranga. Analysis

of the sensitivity of the Mineral Resource to the long-term gold price and specifically reporting at an assumed US$1,500/oz Au as per the majority of the Group's Mineral Resources results in a Mineral Resource sensitivity comprising total Mineral Resources of 20.1Mt grading 1.93g/tAu and containing 1.25Moz of gold representing an overall reduction of 13%. The subdivision by classification at this revised gold price results in:

- Indicated Mineral Resources of 10.8Mt grading 1.96g/tAu and containing 682kozAu; and
- Inferred Mineral Resources of 9.3Mt grading 1.89g/tAu and containing 564kozAu.

The technical information reported herein is based on a summary of the technical information presented in the *"Technical Report on the Golden Hill Project, Burkina Faso NI 43-101 Report"* published on 17 December 2020 by Teranga (the "**Golden Hill 2020 TR**").

13.2.1 Mineral Asset Background

Location, Access and Infrastructure

The Golden Hill AEP is located at latitude 11°10'06" north and longitude 03°26'35" east in Burkina Faso, West Africa (Figure 13-1). The Golden Hill Permits (defined below comprises): the Intiédougou Permit is located in the Bougouriba, Ioba and Tuy Provinces; the Baniri Permit located in the Tuy Province; and the Mougué Permit is located in the Bougouriba Province. Seven communities are located within the Intiédougou exploration permit area including Tankiédougou, Salétéon, Gogoba, Didro, Intiédougou, Nahirindon and Man (artisanal mining community).

Access to the project area is via national road N1 from Ouagadougou to Koumbia (260km), then by gravel road along the northern edge of the Mou Forest via Gombélédougou village before reaching Intiédougou village (25km), on the boundary of the Intiédougou Permit which is located approximately 30km south east of the Houndé Gold Mine. The Baniri exploration permit to the north of the Intiédougou permit is accessible from Intiédougou by all-terrain vehicle on a gravel road which ends at Pê village. The Mougué Permit is located south of the Intiédougou Permit. The main access is an exit from the national road No.12 which connects Bobo-Dioulasso - Diébougou to Kpédia village. A gravel road starts from the northwest of Kpédia and leads to the southern corner of the permit via Mougué village.

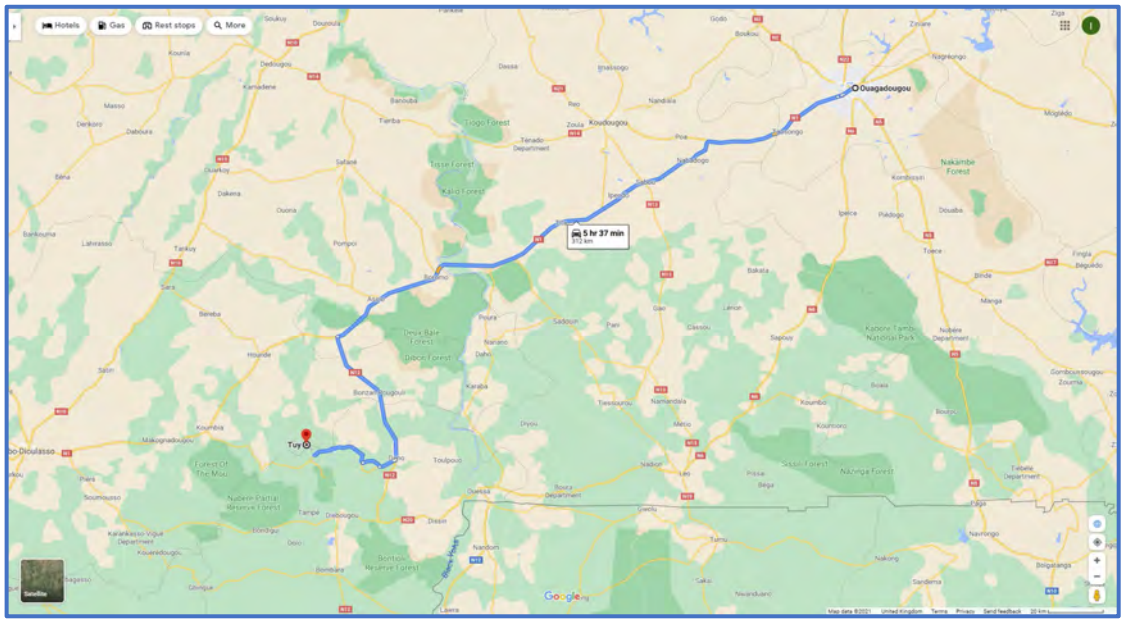
Physiography and Climate

The project area is moderately hilly with an average altitude of 300m, ranging from 262m to 461m at the highest point. Lateritic plateaus and fresh rock outcrops dominate the elevated areas. The east-west Bougouriba stream bisects the Mougué Permit before flowing into the Mouhoun River, previously known as the Black Volta River. Five protected areas occur within 5km of the exploration permit areas and the Mougué Permit area is almost entirely within the Nabere Partial Reserve.

The climate is Savana-type characterized by two seasons: a rainy season and a dry season. The dry season consists of a dry and cool period from November to February, and a dry and hot period from March to May when the highest temperatures are recorded. The rainy season lasts from May to September, sometimes extending into October, with an average rainfall of 870mm. August tends to be the highest rainfall month and the annual average temperature in Bobo-Dioulasso is 26.9°C.

In the dry season, Burkina Faso is subjected to the Harmattan continental north-easterly trade wind, a hot, dry wind which generates sand winds in the Sahel and the southern Sahara. This results in days of 'haze', made up of the finest fraction of the sand winds that the Harmattan carries. The drying effect of this wind is accentuated in March / April by the rise in temperature.

Figure 13-1: Golden Hill AEP location map



Ownership, Mineral, Mining and Exploration Rights

The Group holds its 100% equity interest in the Golden Hill AEP through its wholly owned subsidiary Boss Minerals Pty Ltd ("**Boss Minerals**") which is held via another wholly owned subsidiary Teranga Gold (Australia) PTY Ltd ("**TG Australia**") and comprises three contiguous exploration permits extending over a total area of 468.0km^2: the Baniri Permit; the Intiédougou Permit; and the Mougué Permit. These permits have now expired, and an exploitation licence application was submitted in December 2020. Following the Teranga Acquisition and ongoing technical investigations, the Group is exploring the viability of processing ore from the Golden Hill AEP at the Houndé CIL Plant. As such the Group is considering withdrawing its application for an exploitation licence and submitting further applications to obtain new exploration permits covering the global perimeter of the Baniri permit, the Intiédougou Permit and the Mougué Permit in order to conduct additional exploration activity to further the Golden Hill AEP to pre-feasibility study level.

Table 13-1: Golden Hill AEP Exploration Permits

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Boss Minerals Pty Limited	Baniri	2018-194/MMC/SG/DGCM	100.00	144.7	02/03/2021	0.2
Boss Minerals Pty Limited	Intiédougou	2018-195/MMC/SG/DGCM	100.00	231.7	02/03/2021	0.2
Boss Minerals Pty Limited	Mougué	2018-182/MMC/SG/DGCM	100.00	91.6	02/03/2021	0.2

Exploration permits in Burkina Faso are valid for three years and may be renewed twice, each for periods of three years. An exceptional renewal period for an additional three years may be granted at the discretion of the Ministry of Mines and Quarries ("**MMQ**"), which was granted for the three Golden Hill exploration permits. The exploration permits expired in March 2021.

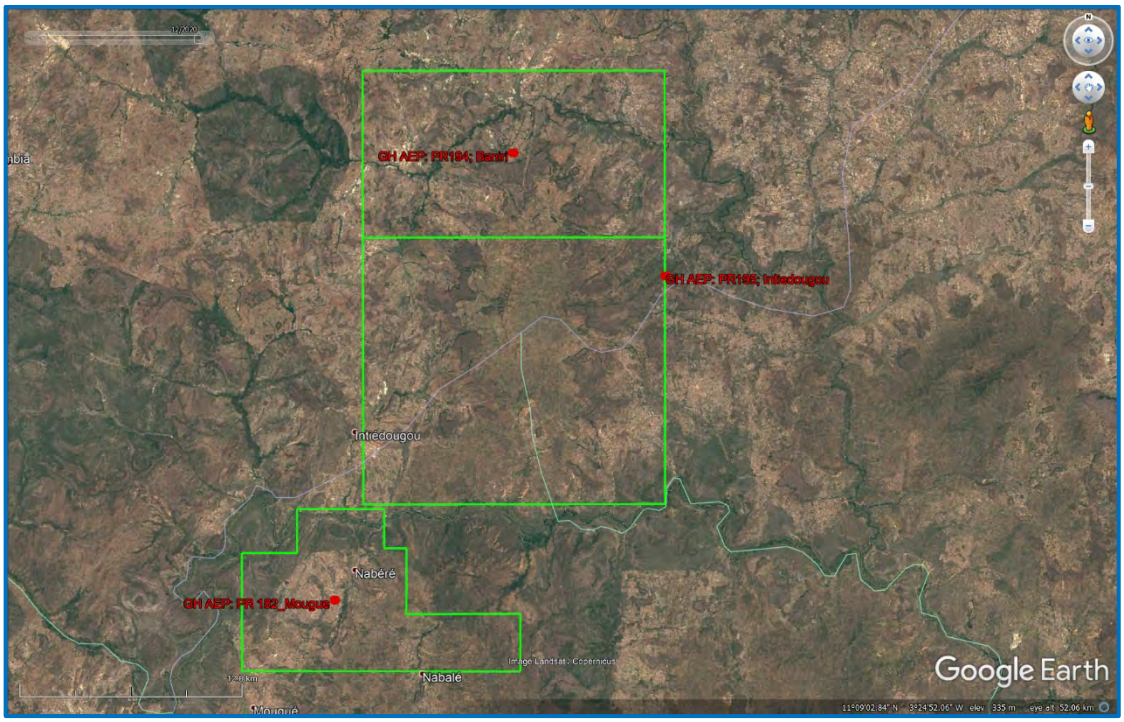
The exploration permit gives its holder the exclusive right to explore the mineral substances applied for and to freely use the products extracted during exploration. These rights can be extended, via subsequent application, to other mineral substances within the designated perimeters.

The holder of an exploration permit, may, during the validity of the permit, apply for a mining license upon the discovery of a mineable deposit and subject to the following: (i) the filing of an approved form of feasibility study prepared by a recognized firm addressing, amongst other matters, economic impacts and employment and training opportunities for local populations; and (ii) a favourable opinion on the feasibility study by the Minister of Environment Green

Economy and Climate Change (the "**MOE**"), based on an environmental and social impact assessment, environmental and social management plan, and a rehabilitation and closure plan, all in compliance with the 2015 Mining Code.

In respect of land and surface rights the Mining Code guarantees to the operator the occupation and use of all land that is necessary for mining the deposits inside or outside the perimeter of the mining permit. The operator is required to pay fair compensation to residents whom it may be necessary to relocate to carry out the mining operation. The same applies to loss of use or damage to people who hold land titles, occupation titles or customary rights over the mining area.

Figure 13-2: Golden Hill Advanced Exploration Property mineral tenure map



Historical Development

The Golden Hill Permits were subject to a shareholder and earn-in agreement dated June 27, 2014 between Boss, Gryphon and Boss Minerals, under which Gryphon had earned 51% of tenements. On 12 October 2016, Teranga completed its acquisition of Gryphon by way of the Scheme under the Australian Corporations Act and assumed Gryphon's 51% interest in Golden Hill. On 20 January 2017, Teranga changed the name of Gryphon, under Australian corporate law, to TG Australia. On 2 October 2018, Teranga completed its acquisition of the remaining 49% interest in the Golden Hill AEP from Boss to reach 100% ownership in the Golden Hill AEP via Teranga's subsidiary in Burkina Faso, Boss Minerals, itself wholly owned by TG Australia.

Recorded exploration history on the Golden Hill Permits are reported from 1996 through 1999 which included RC drilling campaigns, airborne magnetic/radiometric surveys, diamond drilling, regional soil sampling, trenching programmes, regional geological mapping and geochemical surveys. From 1999 through 2007 exploration activity was limited to RC drilling. From 2011 through 2014 Boss and Gryphon completed various additional exploration campaigns which predates the ultimate acquisition of Gryphon by Teranga in October 2016. Post-acquisition technical assessment lead to the first Mineral Resource published in 2019 comprising Indicated Mineral Resources of 6.4Mt grading 2.02g/tAu and Inferred Mineral Resources of 11.95Mt grading 1.68g/tAu.

13.2.2 Geology and Mineral Resource Estimation

Golden Hill is located within the Houndé greenstone belt, adjacent to the Houndé deposits, in the western region of Burkina Faso. The belt extends approximately 330km along strike and is up to 60km wide. The belt is orientated north-northeast to south-southwest. Golden Hill contains five north-northeast-south-southwest striking geological domains. From east to west these include: (1) basement gneisses, migmatites, and granitoids; (2) a belt of phyllitic metasedimentary rocks including mudstones, siltstones, phyllites, and sericitic schists; (3) the Eastern Volcanic Domain; (4) a Tarkwa-type sedimentary basin; and (5) the Western Volcanic Domain. Five mineralised zones have been sufficiently explored to support Mineral Resources, namely the "**Ma Structural Complex**", "**Peksou/C-Zone**", "**A and B-Zone**", "**Jackhammer Hill**" and "**Nahiri**".

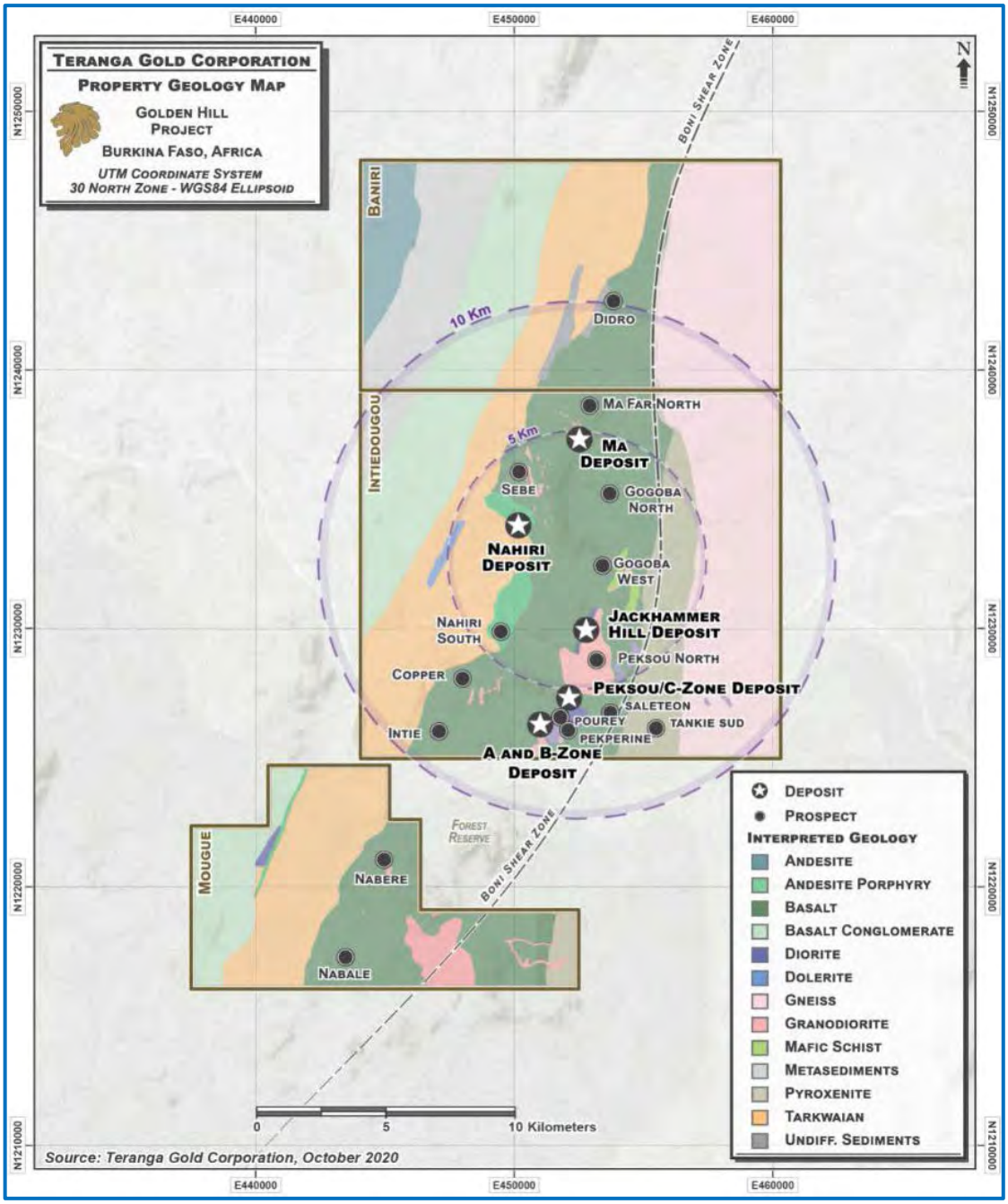
Deposits are primarily hosted within mafic volcanic rocks, intruded by both mafic and felsic lithologies. Mineralisation trends vary between deposits; however, they appear to follow two dominant structural trends: east-southeast to west-northwest, and north-northeast to south-southwest. Gold mineralisation is associated with quartz veining, variably altered structures and surrounding altered rocks, in the vicinity of felsic intrusives. Alteration assemblages consist of mainly carbonate, with varying amounts of sericite, silica, and pyrite.

- The **Ma Structural Complex** consists of five distinct mineralised areas: Ma Main, Ma North, Ma Junction, Ma South, and Ma East. Each area is primarily hosted in basalt intruded by both mafic and felsic lithologies. Gold mineralisation is hosted by a complex network of variably oriented shears with features of both ductile and brittle deformation;
- **Peksou** is located in the south portion of the Intiédougou exploration permit, immediately north of C-Zone, and approximately 2km south of Jackhammer Hill. The host rock is a fine-grained dark basalt intruded by a medium-grained granodiorite. Mineralisation at Peksou is typically represented by multiple planar zones. Mineralisation is often hosted at or near the contact between the granodiorite and basalt with sericite and/or carbonate (calcite-dolomite) alteration. C-Zone is located immediately south of Peksou and is hosted in basalt with minor granodiorite and local crosscutting felsic dykes;
- At **A-Zone**, mineralisation is located at the contact with or within the carbonate-albite-pyrite altered syenitic intrusion. Local zones of brecciation are associated with higher gold grades, however, most mineralisation is associated with finely disseminated pyrite. The B-Zone may be an en-echelon structure to the A-Zone and is hosted in the syenitic intrusion, with an amphibole diorite located near mineralisation;
- **Jackhammer Hill** is hosted in the Saletéon batholith, 2km north of Peksou. Two main rock types occur in the batholith: a fine to medium grained diorite and a coarse-grained granodiorite with feldspar. Mineralisation occurs as subparallel zones hosted in the diorite and granodiorite with associated iron carbonate-sericite-silica±pyrite or carbonate-sericite±pyrite altered brecciated zones. Mineralised zones average 3m in width but extend up to 20m; and
- The **Nahiri Deposit**, located 2.5km west of Gogoba West, is bisected by a northwest-southeast oriented regional structure interpreted to offset the Birimian greenstone rocks in a sinistral direction. The primary host rocks are meta-basalts, Tarkwa-type metasedimentary rocks, and a quartz- feldspar-porphyry intrusion. Mineralisation is found in two forms:
  - associated with fine-grained disseminated and/or filament-like pyrite within schistose planes or micro-fractures of the meta-basalts. Brecciation and carbonate- sericite-pyrite

alteration are also observed,

- associated with carbonate-sericite-pyrite or carbonate-sericite-pyrite alteration hosted in an altered granite intrusive or at the granite-gabbro contact. Multiple subparallel mineralised zones are observed.

Figure 13-3: Golden Hill Advanced Exploration Property geological map



Exploration Activity

Geochemical anomalies were initially identified by Service Géologique National du Burkina Faso ("**BUMIGEB**") and BRGM. Orezone Resources Inc. ("**Orezone**") held the Property from 1996 to 2007 and conducted trenching, soil sampling, and drilling. Boss Resources Limited ("**Boss**") (2011-2013) and Gryphon (2014-2016) carried out further drilling and sampling, which led to discoveries at Jackhammer Hill, Nahiri North, Pourey, Sébé, and Tankié-Sud, and confirmed mineralisation at Ma Main, Gogoba, Copper Zone, and Intié. Exploration at the

property prior to 2016 comprised airborne and ground based geophysical surveys, soil geochemistry, trenching, exploration pitting, field mapping, and auger, RC , RAB, and DD drilling. In 2016, Teranga acquired Gryphon, and 51% of Golden Hill, with the remaining 49% acquired in 2018 after the completion of a earn-in agreement. Post-acquisition, Teranga completed extensive exploration, for both grassroots exploration and resource definition, including auger, DD and RC drilling campaigns. Other exploration completed includes mapping, trenching, soil geochemistry, and airborne geophysics. In 2020, a digital terrain model of the property was generated. Three topographic surfaces were generated, with spatial resolutions of 2.5m, 5m, and 10m. A summary of the drilling associated with the Golden Hill deposits is presented in Table 13-2.

Table 13-2: Golden Hill: exploration drilling data

Deposit	Holes	Meterage	Spacing	Methodology				
				DD	RC	AC	RC-DD	
	(No)	(m)		(%)	(%)	(%)	(%)	
Ma	527	59,046	40m x 40m	79	21			100
Peksou / C-Zone	189	19,868	20-40m x 20-40m	84	16			100
A and B-Zone	76	7,671	20-40m x 20-40m	47	53			100
Jackhammer Hill	110	14,272	20-40m x 20-40m	86	14			100
Nahiri	55	4,601	80m x 20-40m	33	67			100
Total	**957**	**105,458**		**76**	**24**	**-**	**-**	**100**

Quality and Quantity of Data

Teranga established standard operating procedures for sample preparation, analyses, and security, which are appropriate for gold mineralisation and follow industry standards. The procedures from 2017 to 2020 were the responsibility of Teranga. Drilling and sampling completed prior to this has also been reviewed by Teranga personnel, and the methods used were considered appropriate. Teranga noted that the majority of drilling used to estimate the current Mineral Resources were drilled and supervised by Teranga, meaning the historical data is essentially superseded.

RC and auger drilling were sampled at 1m intervals, with RAB drilling sampled at 4m intervals. Riffle splitters were used at the drill site to obtain representative sub-samples. Core sampling intervals were defined as 1m lengths, with breaks for changes in lithology used when applicable. Core was split using a diamond saw. Samples were placed into clear plastic sample bags with assigned sample numbers, closed, sealed, and inserted into larger rice bags that were also securely sealed. The bags were transported off-site to the relevant laboratory. Unsampled core, RC chip trays, and remaining RC material are stored at the exploration camp.

Drill core and RC chip samples were sent for gold fire assay analysis to the BIGS Global Burkina SARL ("**BIGS**") laboratory in Ouagadougou. The BIGS laboratory is accredited to the International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 9001:2008 and ISO/IEC 17025:2005 for all relevant procedures and is independent of Teranga. Upon receipt at the laboratory, samples were registered and weighed, dried, weighed again, and then crushed to 6mm. After crushing, RC samples were quartered and reduced in a Rocklabs splitter. The core samples were not reduced. Samples were pulverized to 70µm to 75µm. A 200g sample was then sent for analysis and the remainder of the pulp was stored. Samples were analysed using fire assay, with AAS finish. Coarse rejects were retained for possible re-assay if there was an issue with the QA/QC, original sample assay, or a lost sample.

In addition to the standard internal laboratory quality control measures employed, Teranga established a blind QA/QC program, consisting of CRM, blanks, and duplicate samples inserted into the sample stream at regular intervals. Project geologists were responsible for all sampling activities conducted by geological technicians and samplers, including sampling, sample bagging, numbering and tagging, sorting, transportation, security, completion of the analytical

submission sheets, and the QA/QC program.

Mineral Resource Estimation

The Mineral Resource estimates for the Golden Hill deposits have been conducted internally by Teranga. The estimates have been conducted in a combination of Leapfrog Geo and Maptek Vulcan. For the Mineral Resources as of 31 December 2020, block models for three of the five deposits (Ma, Peksou/C-Zone, A and B-Zone) were updated in 2020 to incorporate new exploration data. The methods, parameters, assumptions, and support data used for the other two block models (Nahiri and Jackhammer Hill) were reviewed and remain current and were not updated in 2020. The Nahiri and Jackhammer Hill estimates were completed in February 2019.

Mineralised zones for all deposits are interpreted based upon a combination of lithology, structure, mineralisation and assay data from the drill hole data. The dimensions and morphology of the deposits are presented in Table 13-3. Mineralised zones were modelled as vein type structures in Leapfrog Geo, with a minimum width of 2m, and a 0.2g/tAu threshold.

Each drill hole database for each deposit has been coded for drill intercepts within each of the mineralised domains. This coded interval is then used to control the raw assay analysis, compositing process, capping analysis, and variography. The approaches used across the Golden Hill deposits are described in Table 13-4. Capping was applied prior to compositing, and varies between deposits, ranging from uncapped to 30g/tAu.

Variography was used to analyse the spatial continuity within the mineralised zones and to determine appropriate estimation inputs to the grade interpolation process. Variograms were produced for Ma, Peksou/C-Zone, and A and B-Zone domains, using Snowden Supervisor 8.11 software. All variograms were modelled on capped, de-clustered composites. Major and semi-major axes for all zones were oriented as closely as possible within the plane of the modelled zone. Nugget values from 26% to 64% were observed, and variograms were modelled using two spherical structures. Variograms were not generated for the Nahiri and Jackhammer Hill deposits, due to the lack of data in these domains. The variography parameters for each relevant deposit are presented in Table 13-4.

Block models were created for all Golden Hill deposits in Maptek Vulcan. Sub-blocking was typically used to honour the morphology of the estimation domains. Grade interpolation was carried out using IDW^3 method for all mineralised domains. For Ma, Peksou/C-Zone, and A and B-Zone, variogram models were used to support search ellipsoid anisotropy and plunges observed in the data. Search ellipsoid dimensions were determined for each domain based on drill hole spacing and variogram results. For Jackhammer Hill and Nahiri, search directions and ranges were determined visually for each domain based on continuity of mineralisation and drill hole spacing. Grade interpolation consisted of numerous passes, to a maximum of four, with increasing major, semi-major, and minor search ranges for each successive estimation run. Due to the narrow vein widths and localized changes in vein orientations, dynamic anisotropy was applied to locally orient the search ellipsoid during grade estimation for all deposits, except Nahiri. The estimation parameters are presented in Table 13-4.

The block grade estimates were validated using visual inspection of block grades versus composite grades on plan, vertical, and longitudinal sections, statistical comparison of block grades with assay and composite grade, and volumetric comparison of estimated blocks versus wireframes.

Density readings have been typically taken from core using the Archimedes method (i.e. the core is coated in wax and measured using water displacement). The measurements are

grouped according to deposit, logged lithology type and/or weathering style/oxidation type. Density values for each deposit are described in each case in Table 13-4.

Table 13-3: Golden Hill: geological modelling methodology and deposit characteristics

Deposit	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Ma	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	2000mX x 2100mY; to 180m depth; open downdip southeast to southwest	120°/-30° to -50°southwest, 90° to 115°/-25° to -40°south, 020° to 075°/-10° to -45°southeast, 010° to 045°/-30°southeast; 200m dlen; 2m-15m width
Peksou / C-Zone	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	1000mX x 820mY; to 150m depth; open downdip southeast, southwest, northwest	120°/-50SW, 030°/-15°northwest, 070°-110°/-50° to -60°south, 020°/-30°east; 200m dlen; 2m-20m width
A and B-Zone	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	350mX x 720mY; to 140m depth; open downdip southeast	030° to 040°/-20° to -60°southeast; 180m dlen; 2m-30m width
Jackhammer Hill	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	850mX x 1150mY; to 170m depth; open downdip southeast	040°/-40° to -70°southeast; 180m dlen; 2m-15m width
Nahiri	Leapfrog veins; min. 2m width, 0.2g/tAu threshold	900mX x 550m Y; to 110m depth; open downdip east, west	130°/-15°northeast; 025°/-25° to -80°west; 150m dlen; 2m-30m width

Table 13-4: Golden Hill AEP: resource estimation parameters

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Ma	1m	Variable uncapped, 5g/tAu, 10g/tAu, 15g/tAu, 20g/tAu, 30g/tAu	hard boundaries	20m by 20m by 20m; 0.5m by 0.5m by 0.5m (2.5m by 2.5m by 2.5m in domain); unrotated	ID3, dynamic anisotropy; 4 passes; 1st pass: 30m-95m by 20m-65m by 10m, min 1/max 3 samp/dh; min 9/max 12 samp/est; 2nd pass: 60m-190m by 40m-130m by 20m, min 1/max 3 samp/dh, min 6/max 12 samp/est; 3rd pass: 120m-380m by 80m-260m by 40m, min 1/max 3 samp/dh, min 4/max 12 samp/est; 4th pass: 240m-760m by 160m-520m by 80m, min 1/max 3 samp/dh, min 4/max 12 samp/est	averaged densities; laterite: 1.98; sap; 1.75; saprock: 2.77 (mafic), 2.61 (felsic); fresh: 2.93 (unmin mafic), 2.73 (unmin felsic), 2.87 (min mafic), 2.75 (min felsic)	visual inspection of block grades vs. composite grades on plan, vertical and long sections; statistical comparison of block grades with assay and composite grades; volumetric comparison of blocks vs. wireframes; swath plots of composite grades vs. ID3, ID2 and NN; investigation of global change of support for gold grades
Peksou / C-Zone	1m	Variable, uncapped, 5g/tAu, 10g/tAu, 15g/tAu, 20g/tAu, 30g/tAu	hard boundaries	5m by 5m by 5m; 0.5m by 0.5m by 0.5m (2.5m by 2.5m by 2.5m in domain); unrotated	ID3, dynamic anisotropy; 3 passes; 1st pass: 40m-65m by 25m-50m by 10m, min 1/max 3 samp/dh; min 9/max 12 samp/est; 2nd pass: 80m-130m by 50m-100m by 20m, min 1/max 3 samp/dh, min 6/max 12 samp/est; 3rd pass: 160m-260m by 100m-200m by 40m, min 1/max 3 samp/dh, min 4/max 12 samp/est	averaged densities; laterite: 1.99; sap: 1.88; saprock: 2.72 (mafic), 2.45 (felsic); fresh: 3.02 (unmin mafic), 2.72 (unmin felsic), 2.95 (min mafic), 2.73 (min felsic)	
A and B-Zone	1m	Variable, uncapped, 2g/tAu, 5g/tAu, 10g/tAu	hard boundaries	5m by 5m by 5m; 0.5m by 0.5m by 0.5m (2.5m by 2.5m by 2.5m in domain); unrotated	ID3, dynamic anisotropy; 3 passes; 1st pass: 40m-55m by 40m-55m by 10m, min 1/max 3 samp/dh; min 9/max 12 samp/est; 2nd pass: 80m-110m by 80m-110m by 20m, min 1/max 3 samp/dh, min 6/max 12 samp/est; 3rd pass: 160m-220m by 160m-220m by 40m, min 1/max 3 samp/dh, min 4/max 12 samp/est	averaged densities; laterite: 1.95; sap: 1.83; saprock: 2.48; fresh: 2.72 (granite), 2.77 (diorite), 2.71 (porphyry), 2.91 (mafic)	
Jackhammer Hill	2m	Variable, uncapped, 20g/tAu	hard boundaries	5m by 5m by 5m; 0.5m by 0.5m by 0.5m (2.5m by 2.5m by 2.5m in domain); unrotated	ID3, dynamic anisotropy; 3 passes; 1st pass: 50m by 50m by 20m, min 1/max 2 samp/dh; min 3/max 8 samp/est; 2nd pass: 100m by 100m by 40m, min 1/max 2 samp/dh; min 3/max 8 samp/est; 3rd pass: 150m by 150m by 60m, min 2/max 10 samp/est	averaged densities; laterite: 1.91 (gran/porph), 1.98 (diorite); sap: 1.70 (gran/porph), 1.60 (diorite); saprock: 2.25 (gran/porph), 2.19 (diorite); fresh: 2.70 (granite), 2.76 (porphyry), 2.76 (diorite)	
Nahiri	2m	Variable uncapped, 15g/tAu	hard boundaries	5m by 5m by 5m; 0.5m by 0.5m by 0.5m (2.5m by 2.5m by 2.5m in domain); unrotated	ID3, search ellipse orientations consistent with wireframes; 3 passes; 1st pass: 50m by 50m by 20m, min 1/max 2 samp/dh; min 3/max 8 samp/est; 2nd pass:	averaged densities; laterite: 1.91; sap: 1.69; saprock: 2.53; fresh: 2.74 (porphyry), 2.97 (mafic)	

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
					100m by 100m by 40m, min 1/max 2 samp/dh; min 3/max 8 samp/est; 3rd pass: 150m by 150m by 50m-60m, min 2/max 10 samp/est		

Figure 13-4: Golden Hill Advanced Exploration Property: Ma deposit grade estimates

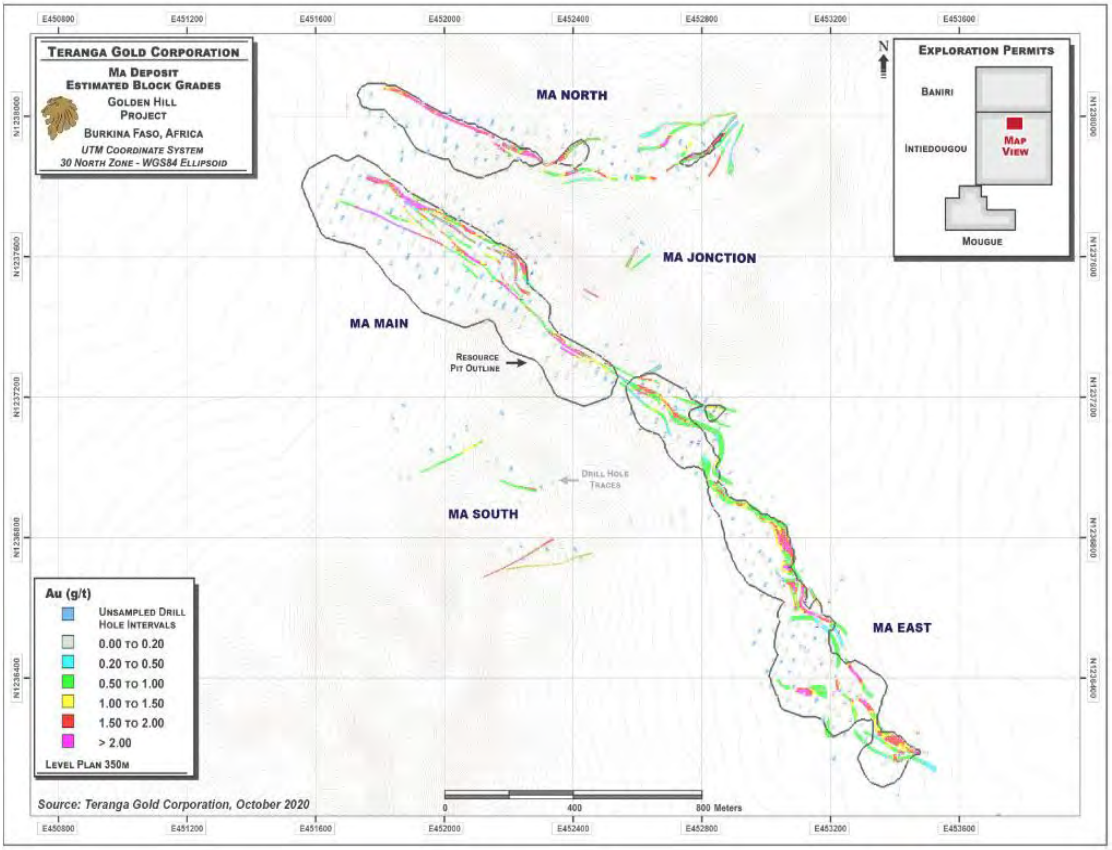
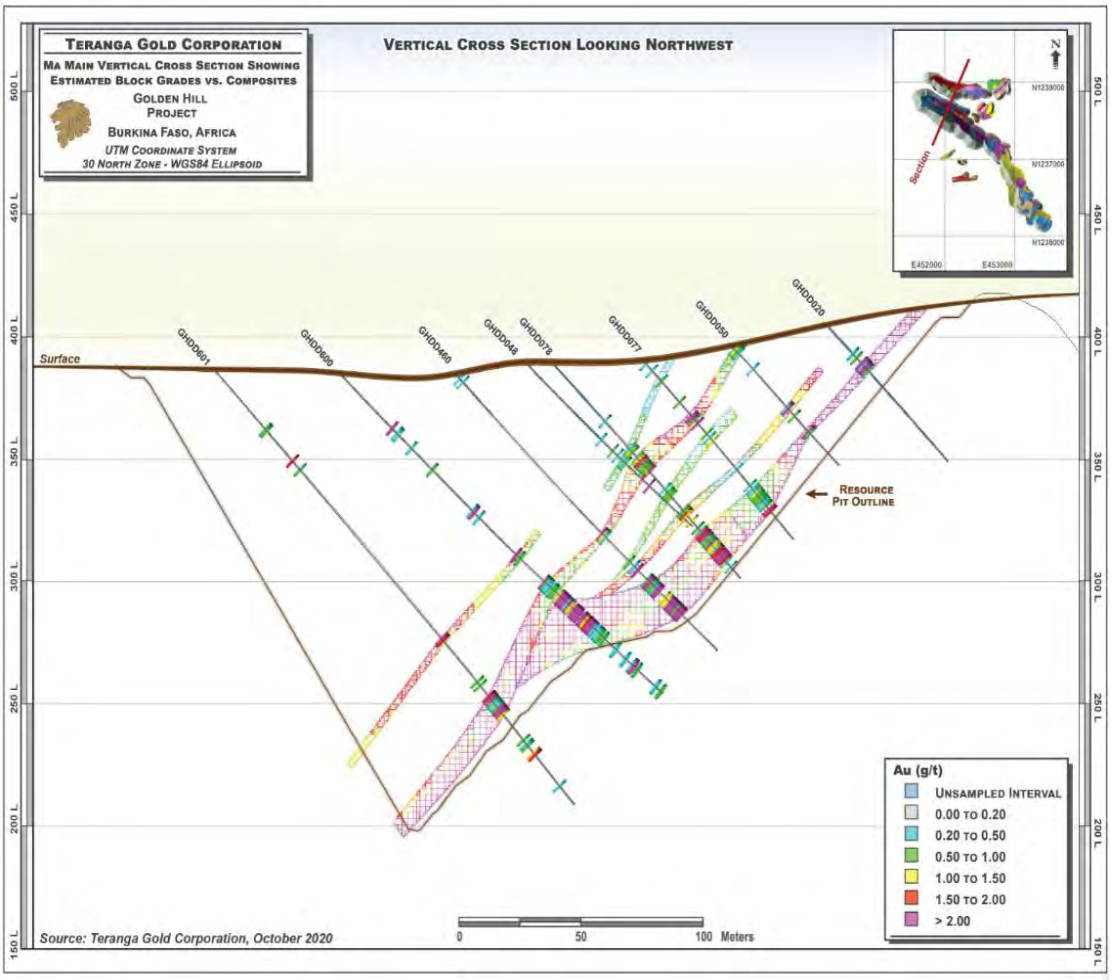


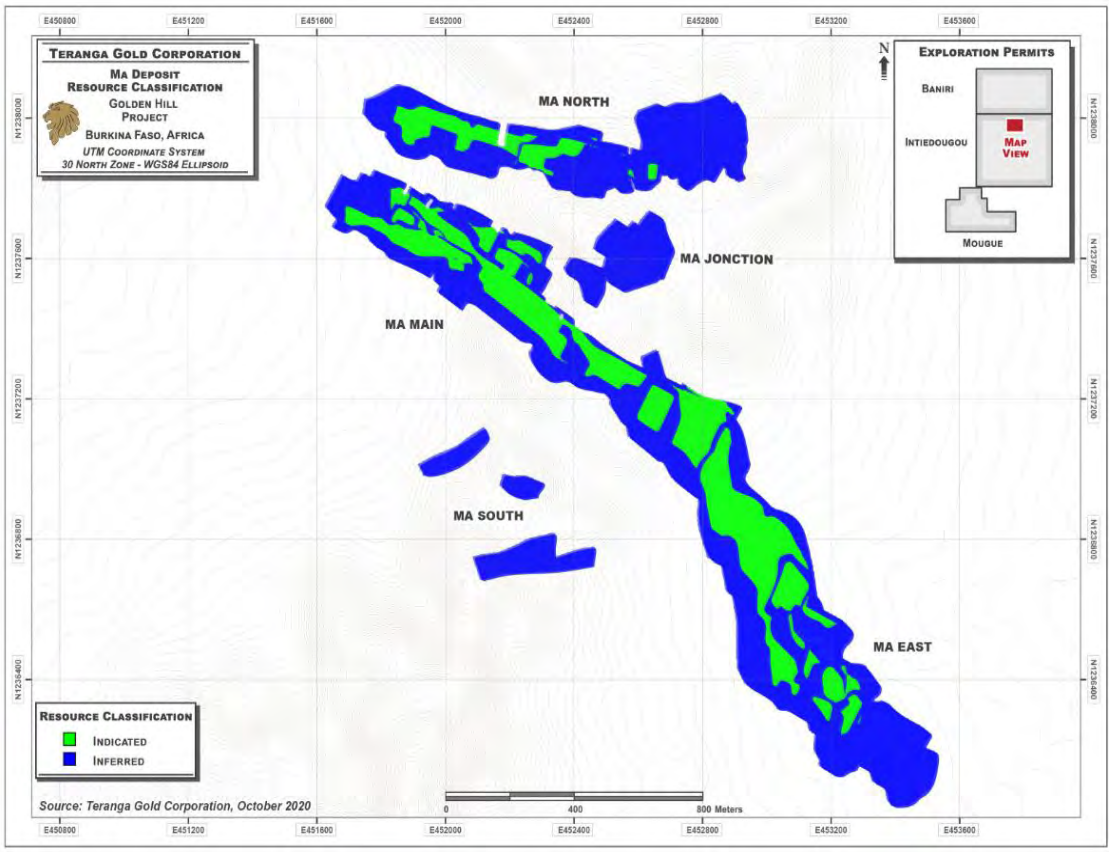
Figure 13-5: Golden Hill Advanced Exploration Property: Ma Main vertical section



Classification

Mineral Resources are classified into Measured, Indicated and Inferred Mineral Resource categories based upon increasing geological confidence, supported by continuity of grade and mineralisation, distance to drill hole, estimation pass number, and number of composites used for estimation. Classification was coded into the block models using classification wireframes. For Ma, Peksou/C-Zone, and A and B-Zone, blocks that were interpolated within approximately 25m of the closest drill hole, estimated within the first pass, and a minimum of three drill holes, and demonstrate reasonable continuity of grade and mineralisation above the cut-off grade were classified as Indicated Mineral Resources. Blocks estimated within the second pass with a minimum of two drill holes were classified as Inferred Mineral Resources. In addition, blocks estimated within the third and fourth passes based on widely spaced drill holes, and blocks estimated within the first pass that do not demonstrate reasonable continuity above the cut-off grade, were classified as Inferred. For Jackhammer Hill and Nahiri, a similar approach was applied for blocks classified as Indicated Mineral Resources. Blocks interpolated within approximately 50m of the closest drill hole, estimated within the first or second pass, with a minimum of two drill holes, were classified as Inferred. A small number of blocks interpolated within approximately 75m of the closest drill hole, estimated within the third pass, were also classified as Inferred Mineral Resources.

Figure 13-6: Golden Hill Advanced Exploration Property: Ma Main classification



13.2.3 Mineral Resource Statements

As at 31 December 2020 Golden Hill AEP reports total Mineral Resources (Table 13-5) of 24.1Mt grading 1.83g/tAu containing 1.4MozAu and comprising:

- Indicated Mineral Resources of 12.6Mt grading 1.85g/tAu and containing 752kozAu; and
- Inferred Mineral Resources of 11.5Mt grading 1.81g/tAu and containing 669kozAu.

Subdivided by weathering mineralisation the total Mineral Resource comprises oxide material of 1.5Mt grading 1.52g/tAu; transitional material of 1.6Mt grading 1.59g/tAu; and fresh material of 21.0Mt grading 1.88g/tAu.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell assuming a long-term gold price of US$1,800/oz and application of cut-off grades to specific weathering type;
- The optimisation input parameters assumed to support the reporting of Mineral Resources for the Golden Hill AEP comprise:
  - Unit mining operating expenditure of US$1.95/$t_{mined}$ and US$2.15/$t_{mined}$ for oxide and fresh material,
  - Incremental unit mining costs per 10m bench of US$0.02/t,
  - Ore haulage costs of US$0.12/tkm,

- Unit processing costs of US$16.68/t,
- Unit general and administration costs of US$7.14/t,
- Refining costs of US$3.00/oz,
- Royalty assumption of 4.00%,
- Assumed metallurgical recoveries of ranging from 81.7% for fresh and 91.6% for oxide material,
- Overall slope angles of 25°-35° for laterite and saprolite, 25°-40° for saprock and 38°-55° for fresh rock; and

- In-situ cut off grades ranging from 0.49gtAu to 0.55g/tAu for individual deposits and weathering ore types.

Table 13-5: Golden Hill: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Indicated												
Ma o/p	9,036	1.79	521	54	1.29	2	284	1.84	17	8,698	1.80	502
Peksou / C-Zone o/p	2,160	2.34	163	13	2.79	1	83	1.77	5	2,064	2.36	157
A and B-Zone o/p	843	1.19	32	43	1.33	2	88	1.17	3	712	1.18	27
Jackhammer Hill o/p	580	1.95	36	115	2.02	7	23	1.95	1	442	1.93	27
Subtotal	**12,620**	**1.85**	**752**	**226**	**1.76**	**13**	**478**	**1.71**	**26**	**11,916**	**1.86**	**714**
Measured + Indicated												
Ma o/p	9,036	1.79	521	54	1.29	2	284	1.84	17	8,698	1.80	502
Peksou / C-Zone o/p	2,160	2.34	163	13	2.79	1	83	1.77	5	2,064	2.36	157
A and B-Zone o/p	843	1.19	32	43	1.33	2	88	1.17	3	712	1.18	27
Jackhammer Hill o/p	580	1.95	36	115	2.02	7	23	1.95	1	442	1.93	27
Subtotal	**12,620**	**1.85**	**752**	**226**	**1.76**	**13**	**478**	**1.71**	**26**	**11,916**	**1.86**	**714**
Inferred												
Ma o/p	6,485	1.97	410	346	1.81	20	491	1.67	26	5,648	2.00	363
Peksou / C-Zone o/p	2,163	1.96	137	183	1.43	8	354	1.62	18	1,626	2.10	110
A and B-Zone o/p	1,523	1.31	64	308	1.38	14	175	1.24	7	1,039	1.30	43
Jackhammer Hill o/p	658	1.57	33	249	1.23	10	21	1.54	1	387	1.79	22
Nahiri o/p	651	1.21	25	163	1.40	7	128	1.23	5	361	1.12	13
Subtotal	**11,480**	**1.81**	**669**	**1,249**	**1.48**	**59**	**1,170**	**1.54**	**58**	**9,061**	**1.89**	**552**
Mineral Resources												
Ma o/p	15,522	1.87	931	400	1.74	22	776	1.73	43	14,346	1.88	866
Peksou / C-Zone o/p	4,323	2.15	299	196	1.52	10	437	1.65	23	3,690	2.25	266
A and B-Zone o/p	2,366	1.27	96	352	1.37	16	263	1.22	10	1,751	1.25	71
Jackhammer Hill o/p	1,238	1.75	70	364	1.48	17	44	1.75	2	829	1.87	50
Nahiri o/p	651	1.21	25	163	1.40	7	128	1.23	5	361	1.12	13
Total	**24,100**	**1.83**	**1,421**	**1,475**	**1.52**	**72**	**1,648**	**1.59**	**84**	**20,977**	**1.88**	**1,265**

Historical Mineral Resource Statements

The following assessments presents a time-line analysis of historical Mineral Resources as reported by the Group and prior owners in their annual public domain declarations and largely reported in accordance with CIM Definition Standards. Furthermore, it should also be noted that the historical statements have not been subject to independent review by SRK and as such are reported as a matter of historical fact.

Table 13-6 presents a comparison of the Mineral Resources reported as at 31 December 2020 with that reported for the prior reporting period ending 31 December 2019. The key observations noted are an overall increase in reported gold content of 362koz the majority of which is directly attributable to expanded Mineral Resources at the Ma deposit. Mineral Resources were reported within an optimised shell assuming a gold price of US$1,800/oz for 2019 and 2020. Recently completed sensitivity analysis to determine the impact of alignment with that assumed by the Group for the majority of Mineral Assets assumed at US$1,500/oz indicate a reduction in total tonnage of negative 17% and in total contained gold of negative 13%: Indicated Mineral Resources of 10.8Mt grading 1.96g/tAu and containing 682kozAu; and Inferred Mineral Resources of 9.3Mt grading 1.89g/tAu and containing 564kozAu.

Table 13-6: Golden Hill: Mineral Resource prior period comparison

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured									
Subtotal	-	-	-	-	-	-	-	-	-

Classification	2020			Variance			2019		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Indicated									
Ma o/p	9,036	1.79	521	3,247	(0.24)	143	5,789	2.03	378
Peksou / C-Zone o/p	2,160	2.34	163	2,160	2.34	163	-	-	-
A and B-Zone o/p	843	1.19	32	843	1.19	32	-	-	-
Jackhammer Hill o/p	580	1.95	36	(30)	0.08	(0)	610	1.87	37
Subtotal	**12,620**	**1.85**	**752**	**6,221**	**(0.16)**	**338**	**6,399**	**2.02**	**415**
Measured + Indicated									
Ma o/p	9,036	1.79	521	3,247	(0.24)	143	5,789	2.03	378
Peksou / C-Zone o/p	2,160	2.34	163	2,160	2.34	163	-	-	-
A and B-Zone o/p	843	1.19	32	843	1.19	32	-	-	-
Jackhammer Hill o/p	580	1.95	36	(30)	0.08	(0)	610	1.87	37
Subtotal	**12,620**	**1.85**	**752**	**6,221**	**(0.16)**	**338**	**6,399**	**2.02**	**415**
Inferred									
Ma o/p	6,485	1.97	410	2,403	0.25	185	4,082	1.71	225
Peksou / C-Zone o/p	2,163	1.96	137	(1,676)	(0.17)	(126)	3,839	2.13	263
A and B-Zone o/p	1,523	1.31	64	(152)	(0.14)	(14)	1,675	1.45	78
Jackhammer Hill o/p	658	1.57	33	(34)	0.07	(0)	692	1.50	33
Nahiri o/p	651	1.21	25	(1,008)	0.36	(20)	1,659	0.85	45
Subtotal	**11,480**	**1.81**	**669**	**(467)**	**0.13**	**25**	**11,947**	**1.68**	**645**
Mineral Resources									
Ma o/p	15,522	1.87	931	5,651	(0.03)	328	9,871	1.90	603
Peksou / C-Zone o/p	4,323	2.15	299	484	0.02	36	3,839	2.13	263
A and B-Zone o/p	2,366	1.27	96	691	(0.18)	18	1,675	1.45	78
Jackhammer Hill o/p	1,238	1.75	70	(64)	0.08	(0)	1,302	1.67	70
Nahiri o/p	651	1.21	25	(1,008)	0.36	(20)	1,659	0.85	45
Total	**24,100**	**1.83**	**1,421**	**5,754**	**0.04**	**362**	**18,346**	**1.80**	**1,059**

13.2.4 Exploration Potential

The deposits at the Golden Hill Permits identified to date remain open along strike and at depth and as such there remains potential to both upgrade and increase the currently defined Mineral Resources through further exploration and drilling. The key recommendations outlined in the Golden Hill 2020 TR are:

- Continue drilling the deposits that remain open along strike and at depth, with a focus on prospective areas within and along trend of the Ma and Peksou deposits where structures may intersect, and potential splays extend off the main mineralised trends;
- Continue follow-up evaluation of anomalous results on prospects where Teranga has undertaken exploration and drilling at Ma South, Ma Jonction, Gogoba North, Peksou North, Didro, and Copper;
- Initiate exploration and drilling programs to follow up on favourable results from work conducted by previous companies at Pourey, Nahiri South, Tankié-Sud, and Sébé; and
- Identify untested targets with additional exploration, drilling and data evaluation.

The budget allocated for this indicated total expenditures of US$7.25m comprising diamond core drilling (US$4.0m), RC drilling (US$2.0m), auger drilling (US$0.1m), trenching (US$0.3m), soil sampling (US$0.2m) and laboratory analyses (US$0.65m).

Subsequent to the Teranga Acquisition the Group completed a review of all pre-Acquisition work programmes and for 2021 has committed to approximately US$3.0m for the Golden Hill AEP.

13.2.5 Other Technical Studies

Metallurgy and Mineral Processing

Additional technical studies completed to date include metallurgical testwork completed in 2019, the results of which are published on various technical reports published by ALS Metallurgical Laboratories ("**ALS**") located in Perth, Western Australia.

Samples from Jackhammer Hill, Peksou, and Ma were submitted for metallurgical testing. Mineralogical examinations of the rock samples and QEMSCAN and XRD tests on the flotation concentrates showed that pyrite is the dominant sulphidic mineral, constituting more than 98% of the sulphides in the concentrate samples. Comminution testing indicated that the rock samples are of above average hardness but below average abrasiveness.

Flowsheet options tested comprised of various combinations of whole ore cyanidation, gravity concentration and flotation followed by ultrafine grinding of flotation concentrate prior to cyanidation of both flotation products. Whole ore cyanidation as well as cyanidation preceded by gravity concentration generally yielded recoveries that are well below typical industry averages for gold plants.

The treatment route featuring ultrafine grinding of flotation concentrates prior to cyanidation consistently yielded better (10% points or more) gold recoveries. Overall gold recoveries of 92.6%, 82.7% and 88.6% were adopted for the Jackhammer, Peksou and Ma deposits (these include a 1% assumed loss after cyanidation).

In addition to the above, work completed by Lycopodium and reported in a "Scoping Study" report focused on the metallurgical performance of the Ma deposit which represents a significant portion of the Mineral Resource. The Ma ore is highly competent (A x b = 30), hard (BWi = 19.6kWh/t) with low abrasivity (Ai = 0.20) and has some "free" gold and achieves a gravity gold recovery of 25% to 30%. Whole-of-ore direct cyanidation of Ma samples suggests that the ore is fast leaching initially however the leach plateaus at 75% recovery indicating that there is a partial refractory component to the Fresh ore. Diagnostic leaches indicate that the majority of the gold in the whole-of-ore direct cyanidation leach residue was associated with arsenic sulphide minerals such as arsenopyrite.

Flotation testwork achieved very good sulphide sulphur recovery (+97%) and good gold recovery (+90%) to a moderate grade concentrate (19% S2- and 20g/tAu) with a mass pull of 6% to 10% depending on the sulphide sulphur head grade. The concentrate was ultrafine ground ("**UFG**") to a P80 grind size of 12µm and then leached at moderately high cyanide concentration for 36 hours. The leaching profile suggest that the concentrate was slow leaching and the concentrate was still leaching at 36 hours. The UFG and intense leaching of the concentrate improved overall recover from 75% to 92%.

A conceptual flowsheet was developed which included: primary jaw crusher; crushed ore stockpile; SAG mill in closed circuit with a recycle crusher and ball mill in closed circuit with hydrocyclones (i.e. SABC circuit configuration); rougher/scavenger flotation circuit; flotation concentrate UFG; flotation concentrate CIL circuit; flotation tails CIL circuit; carousel CIP circuit; elution and regeneration circuit and goldroom; services and reagents.

The flowsheet selected is a non-conventional configuration incorporating sulphide flotation and concentrate UFG to improve overall gold recovery (gold is partially refractory). There is no gravity gold recovery circuit or cyanide destruction.

The Scoping study also noted a target throughput for the above flowsheet which targeted 2.1Mtpa at a P80 grind size of 110µm to treat 12.9Mt of ore grading 1.86g/tAu. It should be noted that most of the metallurgical testwork was conducted at finer P80 grind sizes (P80 = 75µm or 90µm) and incorporated a gravity gold recovery step.

Jackhammer, Ma and Peksou Oxide ores are "free" milling and can be recovered by whole-of-ore direct cyanidation. Jackhammer Fresh ore is "free" milling and can also be recovered by whole-of ore direct cyanidation. Both Ma and Peksou Fresh ores are partially refractory, and it is currently proposed that these ores with be subjected to sulphide flotation, concentrate UFG and then separate flotation concentrate and tails cyanidation to recover gold values. The Peksou ore is more refractory and may benefit from an oxidative leach prior to cyanidation

As part of the ongoing technical studies, the Group is pursuing an additional testwork programme to address the following areas:

- **Comminution circuit testwork to include:** variability testwork on composites to represent

all significant areas and lithologies and the deposits not assessed to date; crushing work index testwork; and preparation of master composite of sufficient mass to generate sufficient flotation concentrate for jar mill/stirred test; and

- **Metallurgical testwork to include:** development of a generic flowsheet; determination of reasons for lower than expected concentrate leach results for some samples; consideration for atmospheric oxidation as an intermediate step between ultrafine grinding and cyanidation (e.g. the Albion process); perform additional testwork at a range of primary grind and concentrate regrind sizes; gravity concentration testwork including direct cyanidation of gravity tailings and complete testwork on deposits not assessed to date including A, B and C zones and Nahiri.

Tailings Management

Technical work in respect of the tailings management for the Golden Hill AEP is limited and comprises: a site general arrangement which showed a tailings storage west of the plant site, located in a shallow valley; a brief description of tailings management in the study documentation. In summary the proposed location of the TSF looks plausible, except that it is remote from the two open pit areas on the overall site plan (the open pit areas are located east-north-east, and south, of the plant site respectively). Based on the lack of available information it appears that no significant work has yet been documented for the TSF and as part of any pre-feasibility study a TSF site selection study should be conducted to assess options for the location of the TSF at the project site.

Water Supply

There is unlikely to be abundance of surface water available and some unreliability of surface water supply may be expected. Plans for water supply will need to consider construction of pipelines to the adjacent perennial stream to the north and south of the Golden Hill Permits.

13.2.6 Environmental and Social Aspects

Between March and May 2019, the Antea Group ("**Antea**"), an international engineering and environmental consulting firm, conducted initial physical, biological and social surveys, to establish an environmental and social baseline to form the basis for an environmental and social impact assessment for the mine license application. The work included a hydrogeological survey of boreholes (water level and quality), a biodiversity survey, a noise survey and a qualitative and quantitative social survey.

In March 2020, a Burkinabe consultancy group, Société de Conseil et de Réalisation pour la Gestion de l'Environnement SARL (SOCREGE), initiated an ESIA. As of December 2020, air, noise, and water monitoring were completed, and community consultations, biodiversity, social, hydrogeology, and archaeology studies were underway, however the study has since been put on hold.

In addition to the environmental and social baseline, static geochemical characterisation of 49 waste rock samples from the Golden Hill AEP was conducted by BBA in March 2020 to assess the potential for acid generation and metal leaching. A desktop review of available climatic and hydrological data was also conducted by BBA in April 2020 as part of a hydrology baseline study and water balance assessment to inform design of the TSF and water management infrastructure.

Environmental and Social Setting

The topography of project area is undulating with volcanic folds in the centre of the study area forming the highest points in the relief (433mamsl) contrasting with the Gogoba River valley

and Bougouriba River valley (240mamsl) to the north and south respectively.

The project area is within the catchment of the Bougouriba River, which flows eastwards then and southwards into the Mouhoun (previously known as the Black Volta River) 65km south west of the project area. The main channel of the east-west Bougouriba River flows to the south of the Intiédougou exploration permit and bisects the Mougué Permit. The elevated relief in the centre of the Intiédougou Permit creates a local catchment divide and causes run off from the northern half of the permit area to drain north into a tributary of the Bougouriba River, which joins the main channel 10km to the east of the Intiédougou Permit area. The regime of the Bougouriba River is intermittent with several sections being dry from December to June.

Five protected areas occur within 5km of the exploration permit areas; the Nabere Partial Reserve (overlapping licence area), the Nabéré Classified Forest (immediately to the south) Classified Forest of the Mou (5km to the west), Classified Forest of the Bougouriba (4km to the east) and Classified forest of Kapo (2km to northwest). The Mougué Permit area is almost entirely within the Nabéré Partial Reserve. Four further forest reserves are present within a 40km radius of the site; Bontioli Reserve Forest, Dan Forest, Maro Forest and Po Forest.

The biodiversity survey conducted in 2019 and resulting baseline report states the project area could be considered critical habitat for two endangered species, including the hooded vulture and the Senegalese rosewood (tree). The survey also identified 17 officially protected tree species benefiting from special protection measures in Burkina Faso, and presence of large fauna including hippopotamus and elephants.

The project area straddles two regions (Sud-Ouest and Hauts Bassins), three provinces (Ioba, Bougouriba and Tuy) and three municipalities (Guéguéré, Bondjigui, Koumbia). Seven communities are located within the Intiédougou exploration permit area including Tankiédougou, Salétéon, Gogoba, Didro, Intiédougou, Nahirindon and Man (artisanal mining community). Bobo-Dioulasso, located 95km to the west, is an important regional centre with approximately 500,000 inhabitants.

Environmental and Social Management

Environmental and social management measures will be defined by the ESIA process and associated PGES. As the ESIA report is still in draft form for Golden Hill AEP, the nature of measures and appropriateness to managing potential risks are not confirmed.

Should the asset be developed in associated with Houndé Gold Mine, it would be expected the environmental and social management processes from Houndé would be extended to the Golden Hill AEP.

In terms of stakeholder engagement, a permanent community liaison officer has been appointed for the Golden Hill AEP. The Group has also proceeded to a carry out a number of social investments in the areas of health, education and water by providing equipment and rehabilitating existing infrastructure.

- **Impacts to groundwater users:** The hydrogeology survey conducted for the environmental and social baseline study in 2019 identified over 80 existing groundwater boreholes, cemented and traditional wells located across the project area. Once the infrastructure footprint has been defined and water abstraction requirements are known, it will be essential to model the expected impact from project activities on surrounding groundwater wells and respective water users to ensure impacts on access to water are avoided or minimised;
- **Biodiversity and protected areas:** The project is near numerous forest reserves and species of conservation importance have been identified with the project area. Additional

surveys and assessments will be required to determine the sensitivity of habitats affected by the proposed operation and potential impacts on these habitats and protected species. This will inform project planning and risk management and ensure biodiversity issues are managed in line with good international industry practice, including requirements of the RGMP;

- **Resettlement:** Given the presence of seven villages within the exploration concession, it is likely that both physical and economic resettlement will be required prior to project development. This process should be guided by a resettlement action plan and livelihood restoration plan to mitigate and compensate for the impacts that result from physical and economic displacement and aim to help communities to be better off following the resettlement process. A challenge to the resettlement process will be the location of the site at the junction of multiple administrative areas, requiring extensive engagement with multiple traditional and governmental authorities as part of the planning process; and
- **Artisanal miners:** Artisanal workings have been identified locally at existing deposits and prospects, particularly in a north-south corridor through the centre of the Intiédougou Permit area. Prior to acquisition by the Group, Teranga's approach to ASM sought to balance the need for local people to build a livelihood with the need to secure its investments. Assessments of ASM have been conducted at the Golden Hill AEP to inform the development of an ASM action plan. There are significant risks posed by ASM, including loss of access to resources and conflict with security forces, which will need to be carefully monitored and managed as the project progresses.

13.2.7 Work Programme

The work programmed as outlined in the Golden Hill 2020 TR was developed by Teranga and is currently the subject of a revaluation process by the Group. This aside the work programme as presented is focused on:

- Continued exploration activity as outlined in Section 13.2.4;
- Completion of additional testwork as outlined in Section 13.2.5; and
- Completion of the ESIA and other technical studies to assess, geotechnics, hydrology and other site-specific investigations comprising Phase 1 of the work programme.

The total planned expenditures for Phase 1 was estimated at US$12.0m with a further US$15.0m allocated to a subsequent Phase 2 to advance the project to feasibility study level. Naturally commencement of Phase 2 was noted as being contingent on the successful outcome of Phase 1 and would have more than likely only commenced in 2022.

The Group's current work programme assumes exploration related expenditures of US$3.0m which is allocated for 2021.

13.2.8 Risks and Opportunities

The key **risks** relating to Golden Hill are:

- **Geology and Mineral Resources:** The trend and geometry of the estimation domains for each of the deposits appear reasonable, and generally encapsulate the majority of mineralised material along the main mineralisation trends. The choice of modelling threshold is also appropriate, although there are examples of a significant number of grades below this threshold being incorporated, to maximize continuity of the domains.

  The choice of block size (dimensions of 2.5m by 2.5m within the modelled domains) is too small with respect to the drillhole spacing (generally 20m to 30m to 50m). The use of too small a block size can decrease the confidence of the block estimates, introducing a level

of confidence in the local estimates which is not warranted or correct. The estimation approach applied also results in localized and restrictive searches, as a result of a small number of samples being utilized to inform the block grade interpolations. The use of IDW^3 further reduces the degree of smoothing within the block models, potentially increasing conditional bias, and further decreasing the reliability of the local block estimates. Variograms have been modelled for Ma, Peksou/C-Zone, and A and B-Zone, and as such Ordinary Kriging should be considered as the primary grade estimation technique in future estimates.

The approach used for classifying the Mineral Resources for each of the deposits is considered to be appropriate. For some parts of the Ma complex, Indicated Mineral Resources are defined in areas where the drillhole spacing is relatively wide (40m to 60m) and in these areas, a classification as Inferred Mineral Resources could be considered to be more appropriate.

In some areas of the Ma South and Ma Jonction models, there are no density measurements, and the average density values have been used for tonnage estimation. These values are based on lithology and material type and are derived from areas of the deposit with a better sampling coverage. Based on the continuity of the host lithologies, as well as the current classification of these portions of the model (Inferred category), this is not considered to be a significant risk, however additional density sampling should be completed for these portions of the model before higher confidence intervals / classifications are attributed to them;

- **Metallurgy:** Testwork completed to date on the larger portions of the deposits indicate that recoveries of 87.6% for the Ma deposit, 91.6% for the jackhammer deposit and 81.7% for the Peksou deposits. The preliminary flowsheet selected for processing of the Ma deposit is a non-conventional configuration incorporating sulphide flotation and concentrate UFG to improve overall gold recovery (gold is partially refractory). Substantial additional testwork is required to advance the understanding of metallurgical performance of the various deposits to pre-feasibility study level, however given the assessments completed to date it is likely that the unit process costs will be higher (ranging from US$20/t to US$25/t) than that current assumed for reporting the Mineral Resources. The Group's current strategy is to re-assess the testwork completed to date and advance all studies to pre-feasibility study level during the course of 2021; and
- **Technical Study:** the current technical studies completed to date are limited to conceptual/scoping level assessments and considerable additional site-specific work is required to advance this to pre-feasibility study level. As part of this process the key focus areas are: to address the issues highlighted in respect of the geological model and update the Mineral Resources accordingly; to refine and complete the metallurgical testwork for all deposits with a view to assessing the requirement for a stand-alone process plant or for processing at the Houndé CIL Plant, however in respect of the latter it is apparent that this would require some significant modifications if the assumed metallurgical recoveries arising from the testwork completed to date are to be achieved; to advance all other technical study areas in respect of mining, geotechnics, hydrogeology/hydrology, waste management, infrastructure (power and water supply), and establish a detailed capital and operating cost assessment.

  Accordingly, it is clear that as part of the 2020 work programme, the primary initial focus should be to refine the scoping study assumptions specifically in respect of geology/Mineral Resources and metallurgical options. The work programme should also be informed by a

determination of the potential scope and scale of the mining inventories likely to be required to support: the establishment of a stand-alone mining and processing operation; and in parallel to determine the technical and economic potential for processing at the Houndé CIL Plant, albeit with some modification.

The key **opportunities** relating to Golden Hill are directly related to increasing the current Mineral Resource base through implementation of a detailed exploration programme with specific focus on the following key areas:

- Continue drilling the deposits that remain open along strike and at depth, with a focus on prospective areas within and along trend of the Ma and Peksou deposits where structures may intersect, and potential splays extend off the main mineralised trends;
- Continue follow-up evaluation of anomalous results on prospects where Teranga has undertaken exploration and drilling at Ma South, Ma Jonction, Gogoba North, Peksou North, Didro, and Copper;
- Initiate exploration and drilling programs to follow up on favourable results from work conducted by previous companies at Pourey, Nahiri South, Tankié-Sud, and Sébé; and
- Identify untested targets with additional exploration, drilling and data evaluation.

13.3 Bantou Advanced Exploration Property

The Bantou AEP is an advanced exploration property which was acquired by the Group as part of the Semafo Acquisition on 1 July 2020 comprising six exploration permits located along the Houndé Greenstone Belt that hosts both the Mana Gold Mine and the Houndé Gold Mine. The exploration permits include: the "**Dynikongolo Permit**" (250.0km^2); the "**Bio Permit**" (188.7km^2); the "**Serakoro 1 Permit**" (184.4km^2); the "**Fakoto Permit**" (62.1km^2); the "**Kelesso Permit**" (60.6km^2); and the "**Niawé Permit**" (185.0km^2). Mineral Resources are reported on four of the exploration permits (Dynikongolo Permit, Bio Permit, Serakoro 1 Permit and the Niawé Permit). The total Mineral Resources as reported in the 2020 Statements totals 51.1Mt grading 1.37g/tAu for a total gold content of 2.2Moz over seven deposits comprising Bantou, Bantou North, Diosso, Karangosso, Kien, Kueredougou and Serakoro. The Bantou and Bantou North deposit represents some 73% of the total gold content and these are located on the Dynikongolo Permit. The Dynikongolo Permit has expired and is currently under application for renewal by the Group.

All Mineral Resources are reported as potentially economic considering open pit mining methods and are reported within an optimised shell assuming a long-term gold price of US$1,500/oz and appropriate cut-off grades. For those Mineral Resources which are considered to be economically viable through underground mining methods an in-situ cut of grade of 2.0g/tAu has been applied.

For the year ended 31 December 2020 the Group is projecting exploration expenditure of US$7.0m. The technical information reported herein is based on a summary of the technical information presented in the *"Bantou Project NI 43-101 Technical Report – Mineral Resource Estimate",* published on 31 December 2019 by DRA Met-Chem (the "**Bantou 2019 TR**").

13.3.1 Mineral Asset Background

Location, Access and Infrastructure

The Bantou AEP is located at latitude 10°37'19" north and longitude 03°50'47" east in Burkina Faso, West Africa (Figure 13-7).

Access to Bantou camp is by means of Route Nationale RN01, an all-weather bitumen road from Ouagadougou, the capital of Burkina Faso, through Boromo to the Pâ junction. From

there, travel is via RN12 followed by RN20, also all-weather bitumen road through the town of Diebougou, to the Bondigui junction. From Bondigui, travel is made via successions of laterite roads to the property, located some 62km to the southwest.

Access to Bio camp is by means Route Nationale RN01, an all-weather bitumen road from Ouagadougou, the capital of Burkina Faso, through Boromo to the Pâ junction. From there, travel is via RN12 followed by RN20, also all-weather bitumen road through the town of Diebougou, to the Kien junction. From Kien, travel is made via successions of laterite roads to the property, located some 22 km to the southwest.

Diebougou is the nearest town for both camps with basic hospital, hotel and limited resupply facilities. Any significant supplies must be sourced from Ouagadougou or Bobo-Dioulasso.

Physiography and Climate

The Bantou AEP area is relatively flat and sits at an elevation of approximately 300m above sea level. The Bantou and Bantou Nord deposits are located directly east of a topographic low formed by a riverbed, that sits at an elevation of approximately 280m above sea level, while Bantou West Proximal lies directly west of that same riverbed. Toward the centre of the property are isolated hills and ridges that rise to 513m above the sea level. The deposits in the Karankasso area are contained in a north-northeast trending valley with elevation ranging between 300m and 350m above sea level.

Numerous tracks allow for access to most places throughout the Bantou AEP area. During the wet season (June to October), heavy rain may temporarily restrict vehicle movement in the area, including the access road to the site. Vegetation in the region is a mosaic of cultivated land and tropical acacia savannah.

The climate of Burkina Faso is semi-arid, with a rainy season from May to September, and a hot dry season from February to April. Average temperatures range between 16°C overnight in the cool season to over 40°C during the day in the hot season. Average annual rainfall is approximately 900mm, although large inter-year variability is common. Between December and April, the climate is heavily influenced by the dry, dust-laden northwest trade wind known as Harmattan, which blows down from the Sahara Desert.

Figure 13-7: Bantou AEP location map



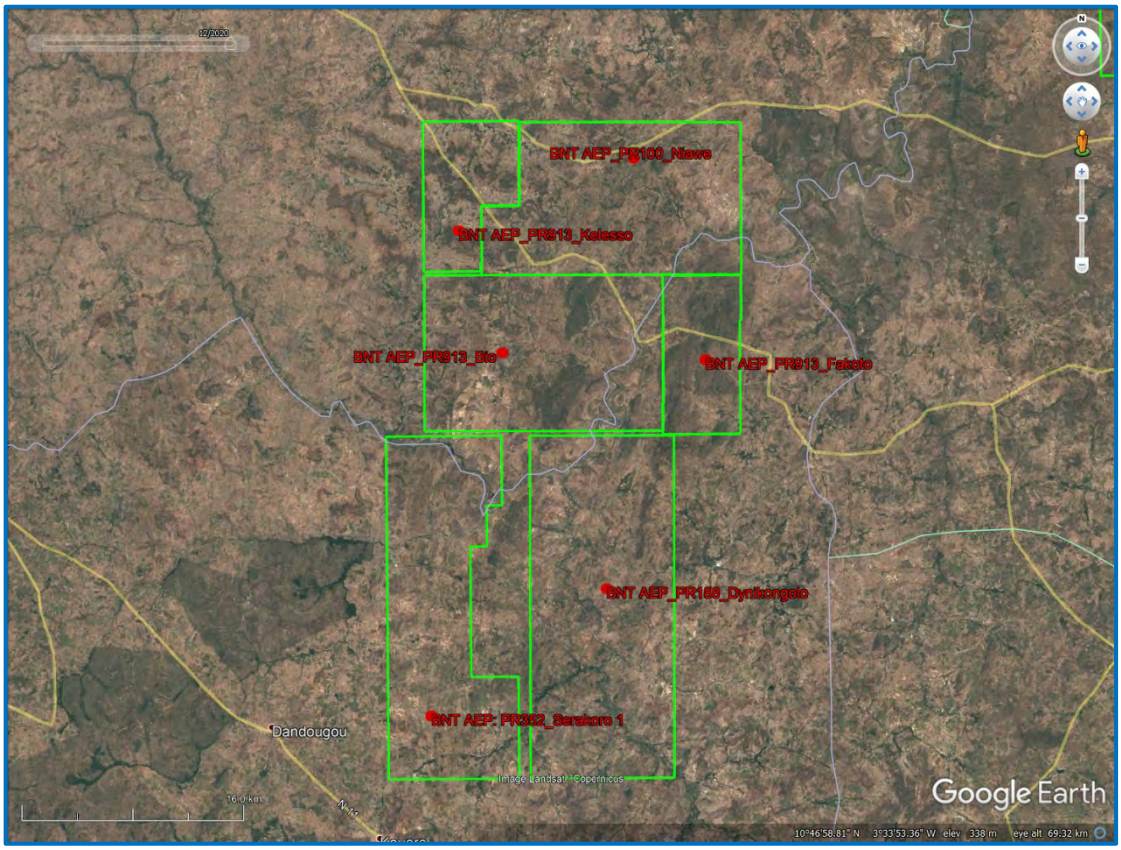
Ownership, Mineral, Mining and Exploration Rights

The Bantou AEP comprises six contiguous exploration permits, the "**Bantou Permits**" covering a total 930.8km^2 (Table 13-7) located in the Western margin of the Houndé greenstone belt in southwest of Burkina Faso. The Group now holds its equity interest in the Bantou AEP via its 100% equity interest in the Dynikongolo Permit held through Birimian Resources SARL ("**Birimian**") and an 80.86% interest in the Bio, Serakoro 1, Fakoto, Kelesso, Niawé (the 19.14% balance held by Sarama JV Mining SARL).

Table 13-7: Bantou AEP Exploration Permits

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Birimian Resources SARL	Dynikongolo	2018-188/MMC/SG/DGCM	100.00	250.0	16/12/2020	-
Houndé Exploration BF SARL	Bio	2018-101/MMC/SG/DGCM	80.86	188.7	25/06/2021	0.5
Houndé Exploration BF SARL	Serakoro 1	2020-230/MMC/SG/DGCM	80.86	184.4	28/11/2022	1.9
Houndé Exploration BF SARL	Fakoto	2019-109/MMC/SG/DGCM	80.86	62.1	02/07/2021	0.5
Houndé Exploration BF SARL	Kelesso	2019-108/MMC/SG/DGCM	80.86	60.6	02/07/2021	0.5
Houndé Exploration BF SARL	Niawé	2018-100/MMC/SG/DGCM	80.86	185.0	25/06/2021	0.5

Figure 13-8: Bantou Advanced Exploration Property mineral tenure map



Historical Development

Various mapping campaigns were made by the BRGM (Bureau de Recherches Géologique et Minière) and later by the BUMIGEB (Bureau des Mines et de la Géologie du Burkina) between 1939 and 1982.

No modern production of gold has occurred in or near the Bantou area, although few deposits are known for few years already like the MM zone and Bondigui (Sarama), Bantou (Semafo), Karangosso (Semafo). There is plenty of artisanal activity on the exploration licenses as well as on the neighbouring licenses. Extraction of gold by the local community from artisanal workings has occurred for an unknown period of time, with free gold being recovered by gravity methods in gold pans or through simple sluicing methods. The vertical extent of the workings is unknown however, they are known to reach a maximum depth of 30m due to the high-water table level that prevents the artisanal miners to go deeper. One notable exception is the Kérédougou artisanal pit that is estimated to reach below 100m. The total tonnage and grade of material extracted from artisanal workings in the various deposits remains unknown.

The Dynikongolo Permit was acquired by Met CI from Moumouni Sawadogo on 1 May 2010. The agreement included cash payments and a 1% NPI remaining interest following the permit transfer. The permit was transferred to Birimian Resources Burkina Faso SARL on 30 April 2013, a company 100% owned by Semafo through the acquisition of Orbis Gold.

The Bio, Niawé, Kelesso, Fakoto and Serakoro 1 exploration permits, historically referenced at the Karankasso Project was formed with the signing of a joint venture agreement (the "**Sarama JV Mining SARL**") between Savary Gold Corp ("**Savary**") and Sarama Resources Ltd ("**Sarama**") on 10 March 2014. The ownership was established at 65% for Savary and 35% for Sarama with the former acting as operator. The Karankasso Project was acquired through the

amalgamation of Savary Gold Corp and a subsidiary of Semafo Inc. to become a wholly owned subsidiary of Semafo in an all-share transaction completed on May 2, 2019. As of 31 December 2019, Sarama's share in the project was established at 19.91% having been gradually diluted through a formula devised in the original joint venture agreement.

13.3.2 Geology and Mineral Resource Estimation

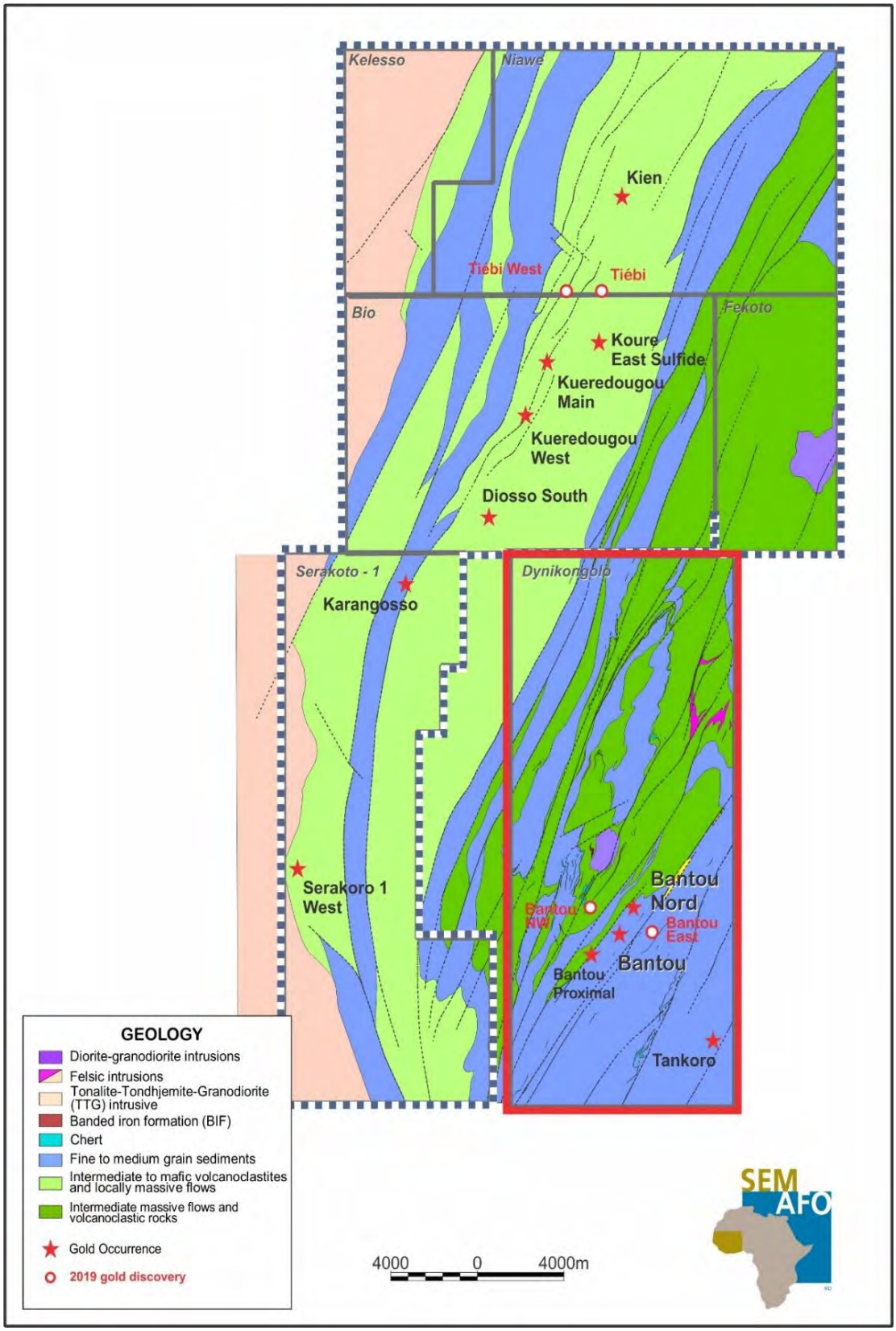
The Bantou AEP is located on the western margin of the central portion of the Houndé greenstone belt, which forms part of the Palaeproterozoic Birimian Supergroup. The property geology comprises a north-northeast trending assemblage of mixed calc-alkaline volcanic and sedimentary rocks that have been subject to polyphase deformation and are metamorphosed to greenschist facies. This volcano-sedimentary sequence is intruded by a series of felsic to mafic intrusions.

The calc-alkaline volcanic series primarily comprises massive and pillowed andesitic flows, volcanoclastic flows and tuffaceous horizons. The sedimentary sequence can be described in terms of an alternating sequence of pelagic and detrital sedimentary rocks, including shales, sandstones and volcaniclastics. Chemical sediments such as cherts and banded iron formations occur abundantly in association with tuff horizons within andesitic volcanics in the eastern portion of the property.

In the west, the belt is crosscut by the north-northeast trending regional Ouango-Fitini Shear Zone ("**OFSZ**"). This structure separates the Houndé greenstone belt in the east from the Sidéradougou TTG (tonalite, trondhjemite, granodiorite) domain in the west, and is host to the Bantou Serakoro deposit and the Mana Wona-Kona deposit.

The Bantou AEP comprises a series of mineralised deposits that can be described in terms of two broad domains, namely the Bantou domain and the Karankasso domain. The Karankasso domain deposits occur along a 45km north-northeast trending corridor in the west of the Bantou AEP area. From north to south these include the Kien, Kueredougou, Diosso, Karangosso and Serakoro deposits. These are all epigenetic, mesothermal, shear-hosted orogenic gold deposits, typical of Birimian terrains. Mineralisation at the Bantou deposit is hosted by BIF and chert horizons that are part of an intermediate-felsic volcanic sequence, dipping steeply to the west-northwest. The mineralisation associated with the BIF horizon is syngenetic, associated with volcanogenic processes, however gold hosted by the chert unit in the footwall of the deposit can be better described as epigenetic, being related to alteration and fracturing. These are interpreted as being late hydrothermal processes post chert deposition but early in the mineralisation event. The Bantou North deposit represents a lower crustal level of the same volcano-magmatic system, where dykes correspond to feeders for the hydrothermal fluids. This deposit bears many characteristics of porphyry style mineralisation including lack of structural controls and no direct correlation to alteration.

Figure 13-9: Bantou Advanced Exploration Property surface geology



Exploration Activity

Exploration and drilling activities completed at the Bantou AEP are summarised separately for the Bantou and Karankosso domains below.

- **Bantou Domain:** The first documented exploration on the Bantou domain was undertaken in 2010, including surface mapping, a rock chip sampling programme, and the excavation of 5 trenches. This was followed up by airborne magnetic and radiometric surveys, also conducted in 2010, and ground IP surveys on selected targets between November 2012 and April 2014. An additional ground IP survey was completed in 2019 by Semafo to cover gaps in the 2012-2014 surveys. An extensive soil and rock chip sampling program was completed between 2012 and 2013, covering an area of 5km by 2km, at an initial 800m by 100m grid, with infill sampling at 200m by 50m in areas of interest.

  The first drilling on the Bantou domain was in 2013, totalling 32 RC holes and 10 DD holes. A small quantity of drilling was completed on the project in 2014 and in 2017, before initiation of more extensive exploration and resource definition drilling in 2018 and 2019. Drilling in 2018 primarily focussed on regional exploration. Positive results from the Bantou and Bantou North deposits shifted focus in 2019 to resource definition drilling on these prospects. To date, 90 holes for 15,875m have been completed on the Bantou deposit, and 86 holes for 14,834m have been completed on the Bantou North deposit; and
- **Karankasso Domain:** Regional soil and rock chip sampling programs were initially completed on the Karankosso domain between 1997 and 2001. These were followed by subsequent rock chip sampling programmes between 2005 – 2007, 2010 – 2001 and 2012 – 2016. Across these surveys, in excess of 25,000 samples were collected, covering the full extent of the Karankosso domain at a spacing of 400m by 50m. Airborne geophysical surveys, including magnetic and radiometric, were undertaken in 2010, covering the Kien, Kueredougou, Karangosso and Diosso deposits, with an additional airborne survey being completed to encompass the Serakoro deposit area in 2015. All 5 deposits have since been investigated by higher resolution ground IP surveys.

  Drilling of the Karankosso domain has primarily focussed on regional-scale exploration drilling, covering most of the extent of the geochemical and geophysical anomalies identified through the historic rock chip sampling and geophysical survey work. Exploration drilling, primarily by RAB, AC and RC drilling, has been completed at variable spacings, across a north-northeast to south-southwest strike extent of approximately 45km. Resource definition drilling on the Diosso, Karangosso, Kien, Kaeredougou West, and Serakoro deposits has been primarily by RC, with a small number of DD, RAB and AC holes, at variable spacings in the order of 50m to 200m. In total, than 2,000 holes have been drilled across the Karankosso domain for approximately 150,000m, including 442 RAB holes for 13,503m, 762 AC holes for 30,032m, 886 RC holes for 96,798m and 48 DD holes for 8,042m. Of these, 388 holes for 42,331m, most of which is RC, have been completed on the Diosso, Karangosso, Kien, Kaeredougou West, and Serakoro deposits and used in the definition of Mineral Resources.

Table 13-8 presents a summary of the drilling conducted for each of the deposits of the Bantou and Karankasso Projects. Note that only holes drilled on the Bantou, Bantou North, Karangosso, Kien, Kueredougou West, and Serakoro deposits are included in this table. Regional exploration holes are excluded from the tabulation.

Table 13-8: Bantou AEP: exploration drilling data

Deposit	Holes	Meterage	Spacing	Methodology				
				DD	RC	AC	RC-DD	
	(No)	(m)		(%)	(%)	(%)	(%)	
Bantou	90	15,875	± 80m along strike by 25m along dip	11	58		31	100
Bantou North	86	14,834	variable 30m-50m by 50m-100m	1	87		12	100
Diosso	106	11,156	variable 50m by 30m-50m	11	87	2		100
Karangosso	66	9,191	variable 50m by 50m-75m	14	79		8	100
Kien	51	7,156	variable 50m-200m by 50m-75m	20	80			100
Kueredougou West	72	6,873	variable 100m-125m by 50m	3	97			100
Serakoro	93	7,955	100m by 50m	1	51	48		100
Total	**564**	**73,040**		**8**	**76**	**8**	**8**	**100**

Quality and Quantity of Data

RC sampling procedure is similar for all drill phases across both the Karankosso and Bantou deposits. RC chips are collected at 1m intervals directly from the cyclone on the drill rig. A riffle splitter is used to split each interval into a 2kg to 3kg sub-sample. These samples are placed into a polythene bag and a sample tag inserted with the hole ID and sample depth and transported to a waiting area ready for transport to the sample preparation and analytical facility. The riffle splitter was cleaned with a brush between each interval. For RC drilling on the Bantou and Bantou North deposits post-2013, sampling was conducted in two phases. Firstly, 1m samples were composited into 4m lengths. A riffle splitter was used to split the 1m samples to approximate 500g sub-samples, which were mixed with adjacent samples in groups of 4. These 4m composites were sent for analysis, and the remaining chips from each original 1m sample stored on site. For each 4m composite that returned an Au grade in excess of 0.25g/t, all the corresponding 1m sub-samples and 1m sub-samples from the adjacent 4m composites were re-submitted for analysis (as 2kg to 3kg splits, using the same procedure as outlined above for the Karankosso and pre-2013 Bantou deposits), and used to superseded the corresponding 4m composite assays in the project database.

Diamond core samples are most commonly either 1m or 1.5m in length, however interval lengths are adjusted in places to honour lithological and mineralisation contacts, meaning that the samples are of variable length, with the significant majority being between 0.2m and 2m. After marking sample lengths, the core is cut in half, lengthwise, using a diamond saw, and one half of the core placed in a plastic bag and labelled with the Hole ID and sample depth. A sample ticket labelled with the hole ID and depth is also placed in the bag.

Drill samples from the Karankasso deposits were submitted to one of three external laboratories in Ouagadougou for sample preparation and analysis. Approximately 70% of the Karankasso samples were analysed at SGS Ouagadougou, with around 25% analysed at BIGS Global and 5% analysed at Actlabs Burkina. Actlabs' Quality System is accredited to international quality standards through the International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 17025. The BIGS laboratory also has certification under ISO-17025. SGS operates according to ISO 17025 standards. The SGS laboratory in Ouagadougou was officially recognised by the South African National Accreditation System ("**SANAS**") for meeting the requirements of the ISO/IEC 17025 standard for specific registered tests for the minerals industry in July 2015.

Samples prepared at SGS were dried, crushed to 75% or 85% passing 2mm, split to 1.5kg by riffle splitter, and subsequently pulverised to 85% or 95% passing 75µm or 106µm. At BIGS, samples were crushed to <3mm and a rotary splitter used to divide the sample into two portions. One portion was retained, with the other pulverised in an LM2 pulveriser to 95% passing 75µm. Samples prepared at Actlabs were crushed to 90% passing a 2mm, mechanically split to obtain a representative sample and then pulverised to 95% passing 105µm. In each case, a 50g sub-sample was taken for assay. At all three laboratories samples were analysed by fire assay with AAS finish. At SGS, samples returning gold values greater than 3g/t were re-analysed by fire

assay with gravimetric finish, whilst samples returning gold values greater than 10g/t were re-assayed by metallic screening. No re-analysis of high-grade samples was completed at the BIGS or Actlabs laboratories.

The majority of samples from the Bantou and Bantou North deposits were prepared and analysed at either the mine site laboratory facilities at Mana Gold Mine (SMF-BF), which are owned and operated by the Group, or at ALS Minerals Services laboratories in country at Ouagadougou and at Yamoussoukro, Côte d'Ivoire. The SMF BF laboratory is not accredited, but regularly participates in proficiency testing programmes. The ALS Minerals laboratory does not have recognized accreditation but are part of the ALS Group of laboratories that operates under a global quality management system under ISO 9001:2008 and participates in international proficiency testing programs.

At both SMF BF and ALS, samples are dried before being crushed to 70% passing 2mm and split using a riffle splitter to a 250g sub-sample. The 250g split is pulverised to 85% passing 75µm and a 50g sub-sample taken for analysis. At both laboratories, samples are analysed by fire assay with AAS finish. At SMF BF, samples grading over 15g/tAu are re-analysed by fire assay with gravimetric finish.

All laboratories used for the analysis of gold grades for the Bantou and Karankasso deposits have been monitored through the implementation of a QA/QC program to ensure the reliability and trustworthiness of exploration data. This includes the regular insertion of blank samples, CRM and field duplicates into the sample stream, as well as cross-laboratory duplicate checks between ALS and SMF BF. The results of the QA/QC checks undertaken and reviewed internally have not highlighted any material concerns in the quality of the assay data for any of the laboratories that contribute to the Bantou and Karankasso assay databases.

Mineral Resource Estimation

The Mineral Resource statement for the Bantou AEP includes a total of 7 deposits across the Bantou and Karankasso domains, namely Bantou, Bantou North, Kueredougou West, Diosso, Karangosso, Serakoro and Kien. The Mineral Resource models for each deposit were most recently updated by Semafo in 2019. Geological modelling and estimation domaining was completed using a combination of Micromine and Leapfrog Geo software. Data conditioning, block modelling and grade interpolation was completed in Datamine RM, and variography undertaken in Geostat+ 2.0.

For all deposits, geological modelling was completed in Leapfrog Geo, with 2D sectional strings generated in Micromine used to help guide the and validate the final modelled volumes. The Bantou deposit comprises two sets of domains, one within the hangingwall BIF unit and one within the footwall chert. Each set of domains comprises an internal high-grade volume, modelled at a 0.8g/tAu cut-off, and a low-grade halo, modelled at a 0.3g/tAu cut-off. Both the low- and high-grade domains were modelled in Leapfrog Geo, using the vein modelling tool. The Bantou North deposit was modelled as a single domain, using the Leapfrog Geo intrusion modelling tool to define a broad shell that captures most assays >0.3g/tAu.

The Kueredougou West, Diosso, Karangosso, Serakoro and Kien deposits (Table 13-9) are modelled as a series of discrete north-northeast to south-southwest / north to south striking, moderately east dipping to sub-vertical, sub-parallel lenses, using the Leapfrog vein modelling tool at an approximate cut-off of 0.5g/tAu.

Table 13-10 summarises the modelling approach and resulting mineralisation domain dimensions for each deposit.

In addition to the mineralisation domains, oxidation surfaces have also been constructed for all

deposits, based on downhole oxidation logging. As modelled, the oxidation profile generally comprises: a thin overburden horizon at surface, which is usually a few meters thick; a saprolite horizon, which typically extends 20m to 40m below surface; a saprock zone of around 5m to 15m thick; and the underlying un-altered bedrock. The modelled oxidation profile has not been used to sub-domain the geological domains for the estimation of Au grade but was utilised in defining domains for the assignment of density values to the block models.

For all deposits, the geological domains were used to code the raw drillhole file for capping and compositing. Grade capping was undertaken prior to compositing. For each deposit a single Au cap was applied to all domains, other than Bantou, for which separate capping limits were defined for the high and low-grade domains. For Bantou North and the deposits of the Karankasso domain, capping limits vary between 13g/tAu and 20g/tAu. At Bantou, a 30g/tAu cap was applied to the low-grade domain, and an 80g/tAu cap applied to the high-grade domain. Prior to geostatistical analysis and grade estimation, the capped assay intervals inside the geological domains were composited to 1m for all deposits, other than Keredougou West, for which the capped samples were composited to 2m.

For each deposit, block models were coded and sub-blocked by the estimation domains. Parent block size varied by deposit, depending on drill spacing, as described in Table 13-10. Au grade was estimated into the block models based on the capped composite samples inside the corresponding domain, by OK, with kriging parameters guided by the results of variogram modelling. Hard boundaries were employed for all domains. For each deposit, a single search direction was employed, based on the average strike and dip of all domains. The search ellipse range was adjusted per deposit based on the drill spacing and considering the geometry of the geological domains. Search ellipse anisotropic ratio (maximum search range : minimum search range) varies between 3 and 6.5 for the Karankosso deposits. The Bantou search ellipse is characterised by a large anisotropic ratio of 13:1, whilst the Bantou North search ellipse is isotropic. For all deposits the intermediate search ellipse range is equal to the maximum search ellipse range, with no plunge component incorporated into the search parameters. Second and third search volumes with expanded ellipse dimensions were employed to fill blocks not estimated in the first search pass. Visual checks and statistical comparisons of input composite grades against estimated grades were used to validate the block model estimates.

Fixed density values were assigned to the block models for the deposits of the Karankasso domain, based on an assessment of drill core specific gravity measurements. On this basis, density values of 1.98g/cm^3, 2.45g/cm^3 and 2.80g/cm^3 were assigned to the overburden /saprolite, saprock and bedrock portions of the block models respectively. Based on the average values derived from separate density measurements of the chert and BIF host lithologies, values of 2.80g/cm^3 (all chert material), 2.60g/cm^3 (BIF saprolite material) or 3.23g/cm^3 (BIF saprock/fresh material) were assigned to the Bantou deposit model. Average densities were assigned to the Bantou North model on the basis of material type (weathering intensity) alone, and not split by lithology, as stated in Table 13-10.

For all deposits, all blocks estimated in search pass 1 – 3 were classified as Inferred, with no Measured or Indicated resources defined. Table 13-10 provides a breakdown of grade and tonnage estimation methodology and parameters, by deposit.

Figure 13-10: Bantou Advanced Exploration Property geological model

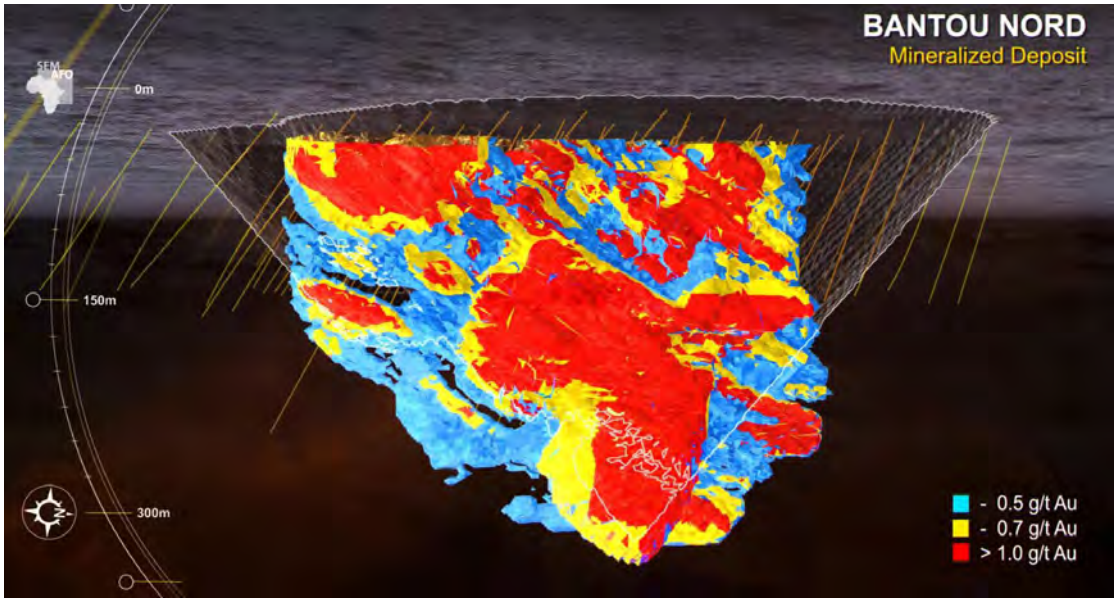


Table 13-9: Bantou AEP: geological modelling methodology and deposit characteristics

Deposit	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Bantou	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: Low grade domain = 0.3g/tAu; High grade domain = 0.8g/tAu	Mineralisation hosted by chert and BIF horizons, with an along-strike extent of approximately 1.6km	NNE striking mineralisation dipping at approximately 75°-85° to west-northwest, with a north-easterly plunge The true thickness of individual mineralised structures varies from approximately 1m - 9m
Bantou North	Modelling methodology: Leapfrog intrusion modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: 0.3g/tAu	300m by 250m zone of disseminated mineralisation along the footwall of the Bantou BIF and chert units	Zone of disseminated mineralisation of variable thickness of between 60m and 200m. North-northeast-striking, parallel to the general orientation of the deposit stratigraphy. Abrupt termination of mineralisation along the western margin of the deposit.
Diosso	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: 0.5g/tAu	3 mineralised zones, each comprising a series of parallel structures. Zone 1 = 2km by <100m (full thickness including internal waste). Mineralisation intersected at maximum depth of 130m. Open at depth. Zone 2 = 650m by <50m (full thickness including internal waste). Mineralisation intersected at maximum depth of 120m. Open at depth. Zone 3 = 450m by <50m (full thickness including internal waste). Mineralisation intersected at maximum depth of 110m. Open at depth.	All zones dip between 55° - 85° to the east-southeast, striking north-northeast to south-southwest. Potential shallow northerly plunge. The true thickness of individual mineralised structures varies from approximately 1m - 10m
Karangosso	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: 0.5g/tAu	Series of parallel structures traced along a 1.5km corridor with a total width of up to 100m (including internal waste). Mineralisation intersected up to 200m below surface. Open at depth.	Subvertical north-northeast to south-southwest striking structures. The true thickness of individual mineralised structures varies from approximately 1m to 7m
Kien	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: 0.5g/tAu	Series of parallel structures traced along a strike length of approximately 3km. Total width of the zone is 300m at its widest in central parts of the deposit, whilst along strike to the north a single continuous mineralised structure is recognised, typically < 10m across. Mineralisation intersected up to 170m below surface. Open at depth.	The deposit can be described in terms of an S-fold geometry, with the most intense mineralisation in the fold hinge zone in the central portion of the deposit. The southern limb strikes broadly north-south, dipping moderately to the east. The northern limb strikes broadly northeast-southwest, dipping at around 60°-80° to the southeast The true thickness of individual mineralised structures varies from approximately 1m - 23m.
Kueredougou West	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: 0.5g/tAu	Aside from 2 small structures in the deposit hangingwall, the Kueredougou deposit primarily comprises 3 main sub-parallel mineralised structures. The strike length of the mineralised zone is 3km. In the north, where all three structures are intersected, the full width of the mineralised zone (including internal waste) is <60m. In the south, a single continuous mineralised structure is recognised, typically <10m across. Mineralisation intersected up to 120m below surface. Open at depth.	Deposit dip: 55°-70° to the east steepening to 70°-75° east towards the southern portion. Variable true thickness: 1m to 12m depending on zones and section

Deposit	Geological Modelling Methodology	Deposit Description	Deposit Dimensions
Serakoro	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: 0.5g/tAu	3 mineralised zones, each comprising a series of parallel structures. Zone 1 = 1.2km by <60m (full thickness including internal waste). Mineralisation intersected at maximum depth of 100m. Open at depth. Zone 2 = 1km by <150m (full thickness including internal waste). Mineralisation intersected at maximum depth of 150m. Open at depth. Zone 3 = 500m by <50m (full thickness including internal waste). Mineralisation intersected at maximum depth of 75m. Open at depth.	All zones dip between around 60°-75° to the east-southeast, striking north-northeast to south-southwest. The true thickness of individual mineralised structures varies from approximately 3m - 18m
Bantou	Modelling methodology: Leapfrog vein modelling tool, guided by sectional strings constructed in Micromine Modelling threshold: Low grade domain = 0.3g/tAu; High grade domain = 0.8g/tAu	Mineralisation hosted by chert and BIF horizons, with an along-strike extent of approximately 1.6km	North-northeast striking mineralisation dipping at approximately 75°-85° to west-northwest, with a north-easterly plunge. The true thickness of individual mineralised structures varies from approximately 1m - 9m

Table 13-10: Bantou AEP: resource estimation parameters

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Bantou	1m	Low grade domain: 30g/tAu High grade domain: 80g/tAu	hard	Parent blocks (m): 2.5 by 5 by 5	Variograms: nugget 40%; range: 60m Search ellipse orientation: RotY: -80° (counter-clockwise), RotZ: 30° (clockwise) Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range: 60m x 60m x 4.5m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SVOL2 * 1.25 - 2 Estimation method: Ordinary Kriging	BIF: 2.60g/cm^3 (saprolite) 3.23g/cm^3 (saprock + fresh) Chert: 2.80g/cm^3	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays
Bantou North	1m	13g/tAu	hard	Parent blocks (m): 5 by 5 by 5	Variograms: nugget 10%; range: 60m Search ellipse orientation: RotY: 0°, RotZ: 0° Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range: 66m x 66m x 66m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SVOL2 * 1.25 - 2 Estimation method: Ordinary Kriging	2.35g/cm^3 (saprolite + overburden); 2.60g/cm^3 (saprock); 2.78g/cm^3 (bedrock)	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays
Diosso	1m	15g/tAu	hard	Parent blocks (m): 2.5 by 10 by 5	Variograms: nugget 45%; range: 75m Search ellipse orientation: RotY: 60° (counter-clockwise), RotZ: 20° (clockwise) Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range: 125m x 125m x 25m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SVOL2 * 1.25 - 2 Estimation method: Ordinary Kriging	1.98g/cm^3 (saprolite + overburden); 2.45g/cm^3 (saprock); 2.80g/cm^3 (bedrock)	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays
Karangosso	1m	20g/tAu	hard	Parent blocks (m): 5 by 2.5 by 5	Variograms: nugget 70%; range: 60m Search ellipse orientation: RotY: 90° (counter-clockwise), RotZ: 20° (clockwise) Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range: 65m x 65m x 15m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SVOL2 * 1.25 - 2 Estimation method: Ordinary Kriging	1.98g/cm^3 (saprolite + overburden); 2.45g/cm^3 (saprock); 2.80g/cm^3 (bedrock)	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays
Kien	1m	15g/tAu	hard	Parent blocks (m): 2.5 by 5 by 5	Variograms: nugget 30%; range: 45m Search ellipse orientation (Northern Zones): RotY: -35° (counter-clockwise), RotZ: 90° (clockwise) Search ellipse orientation (Southern Zones): RotY: 45° (counter-clockwise), RotZ: -40° (clockwise) Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range (Northern Zones): 125m x 125m x 25m Search ellipse range (Southern Zones): 225m x 225m x 35m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SV2 * 1.25 - 2 Estimation method: Ordinary Kriging	1.98g/cm^3 (saprolite + overburden); 2.45g/cm^3 (saprock); 2.80g/cm^3 (bedrock)	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays
Kueredougou West	2m	20 g/t Au	hard	Parent blocks (m): 5 by 20 by 10	Variograms: nugget 35%; range: 45m Search ellipse orientation: RotY: 60° (counter-clockwise), RotZ: 20° (clockwise) Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range (Southern Zones): 125m x 125m x 25m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SVOL2 * 1.25 - 2 Estimation method: Ordinary Kriging	1.98g/cm^3 (saprolite + overburden); 2.45g/cm^3 (saprock); 2.80g/cm^3 (bedrock)	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays

Deposit	Composite length	High grade capping	Hard / soft boundaries	Block model parameters	Grade estimation methodology	Density Values	Block model validation methodology
Serakoro	1m	15 g/t Au	hard	Parent blocks (m): 2.5x10x5	Variograms: nugget 70%; range: 60m Search ellipse orientation: RotY: -40° (counter-clockwise), RotZ: 90° (clockwise) Min No. Holes / Min No. Composites / Max No. Composites: 3/7/25; SVOL2: 3/7/25; SVOL3: 2/4/27 Search ellipse range (Southern Zones): 125m x 125m x 40m SVOL2 range = SV1 * 1.5 -2, SVOL3 range = SVOL2 * 1.25 - 2 Estimation method: Ordinary Kriging	1.98g/cm^3 (saprolite + overburden); 2.45g/cm^3 (saprock); 2.80g/cm^3 (bedrock)	1) visual validation: blocks Vs composites Vs raw data 2) generation of basic statistics of blocks Vs composites Vs assays

13.3.3 Mineral Resource Statements

As at 31 December 2020 Bantou AEP reports total Mineral Resources (Table 13-11) of 51.1Mt grading 1.37g/tAu containing 2.2MozAu all of which is currently classified as an Inferred Mineral Resource. Of this total Mineral Resource, 1.5Mt grading 5.68g/tAu reports as a Mineral Resource which is potential economic assuming open pit mining a and 0.7Mt grading 6.65g/tAu is reported as potentially economic assuming underground mining methods. Subdivided by weathering mineralisation the total Mineral Resource comprises oxide material of 5.8Mt grading 1.67g/tAu; transitional material of 5.2Mt grading 1.38g/tAu; and fresh material of 40.1Mt grading 1.32g/tAu.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell assuming a long-term gold price of US$1,500/oz and application of cut-off grades to specific weathering type;
- The optimisation input parameters assumed to support the reporting of Mineral Resources for the Bantou AEP comprise:
  - Unit ore mining operating expenditure ranging from US$1.50/$t_{mined}$ to US$2.75/$t_{mined}$,
  - Unit waste mining operating expenditure ranging from US$1.50/$t_{mined}$ to US$2.50/$t_{mined}$, for oxide and US$1.95/t_{mined} and US$2.15/$t_{mined}$ for fresh material,
  - Mining dilution ranging from 5% to 10% and mining (metal losses) of 5%,
  - Unit processing costs ranging from US$16.30/t to US$26.00/t for oxide, transitional and fresh material,
  - Assumed metallurgical recoveries of ranging from 65% for fresh and 93% for oxide material,
  - Overall slope angles of 45° for oxide and transitional weathering types and 50° for fresh rock; and
- An in-situ cut off grades ranging from 0.43gtAu to 0.86g/tAu for individual deposits and weathering ore types. For the underground Mineral Resources reported for the Bantou deposit an in-situ cut of grade of 2.0g/tAu was adopted.

Table 13-11: Bantou AEP: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Indicated												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Measured + Indicated												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Inferred												
Bantou (o/p+u/g)	2,258	5.98	434	413	4.35	58	190	4.20	26	1,655	6.60	351

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Bantou North o/p	36,106	0.95	1,101	2,007	1.06	68	3,941	1.17	148	30,158	0.91	885
Diosso o/p	2,775	1.96	175	741	1.98	47	257	2.12	18	1,776	1.93	110
Karangosso o/p	2,585	1.79	148	525	1.85	31	284	1.79	16	1,777	1.77	101
Kien o/p	3,019	1.56	151	227	1.22	9	329	1.24	13	2,463	1.63	129
Kueredougou West o/p	1,325	1.75	75	350	1.65	19	59	2.01	4	915	1.78	52
Serakoro o/p	3,040	1.64	160	1,549	1.60	80	144	1.65	8	1,347	1.69	73
Subtotal	**51,108**	**1.37**	**2,245**	**5,812**	**1.67**	**312**	**5,205**	**1.38**	**232**	**40,091**	**1.32**	**1,701**
Mineral Resources												
Bantou (o/p+u/g)	2,258	5.98	434	413	4.35	58	190	4.20	26	1,655	6.60	351
Bantou North o/p	36,106	0.95	1,101	2,007	1.06	68	3,941	1.17	148	30,158	0.91	885
Diosso o/p	2,775	1.96	175	741	1.98	47	257	2.12	18	1,776	1.93	110
Karangosso o/p	2,585	1.79	148	525	1.85	31	284	1.79	16	1,777	1.77	101
Kien o/p	3,019	1.56	151	227	1.22	9	329	1.24	13	2,463	1.63	129
Kueredougou West o/p	1,325	1.75	75	350	1.65	19	59	2.01	4	915	1.78	52
Serakoro o/p	3,040	1.64	160	1,549	1.60	80	144	1.65	8	1,347	1.69	73
Total	**51,108**	**1.37**	**2,245**	**5,812**	**1.67**	**312**	**5,205**	**1.38**	**232**	**40,091**	**1.32**	**1,701**
Bantou (o/p+u/g)												
o/p	1,549	5.68	283	412	4.35	58	182	4.24	25	955	6.53	201
u/g	709	6.65	151	0	2.69	0	8	3.31	1	700	6.69	151
Total	**2,258**	**5.98**	**434**	**413**	**4.35**	**58**	**190**	**4.20**	**26**	**1,655**	**6.60**	**351**

Historical Mineral Resource Statements

No known historical Mineral Resource Statements were reported in the Bantou 2019 TR.

13.3.4 Exploration Potential

The Bantou Permits include a number of deposits which remain open at depth and along strike. The current post Acquisition drilling programme assumes continued drilling of the Bantou and Bantou North deposit with a total of 32km of drilling planned for 2021.

13.3.5 Other Technical Studies

Only limited technical studies have been completed in respect of the Bantou AEP and to date these have been primarily focused on metallurgical testwork on the Bantou and Bantou North deposits and one external metallurgical test work programme has been completed on the Karankasso property.

The metallurgical samples were subjected to bottle roll screening tests and bottle roll tests at a range of varying grind sizes at Mana Gold Mine's laboratory. The objective was to determine the maximum recovery for various samples obtained using the standard testing conditions for the Mana Gold Mine flowsheet. The samples were composed of HQ and PQ drill core taken from drilling campaigns performed by the previous owner. The samples were taken from various mineralised intersection and the sample selection criteria were not specified.

All samples were stage crushed and homogenized before being tested to Mana Gold Mine's process flowsheet which is composed of an SABC grinding circuit followed by a CIL circuit with compressed air as an oxygen source. The Mana Gold Mine target grind size was 75µm.

The tests show promising results with many tests achieving gold recoveries from 80% to 95%. Additional work is recommended to get a better understanding of the performance of individual deposits.

13.3.6 Environmental and Social Aspects

Environmental and Social Setting

The permit areas are located in the Ouo and Sidéradougou Departments within the Comoé Province of the Cascades Region of Burkina Faso. Livelihoods in the exploration permit areas are mainly based on agriculture and artisanal mining. The artisanal mining population is not defined but is understood to be considerable.

There are two main villages within the Dynikongolo exploration permit: Kongango some 3km to the southwest of the main Bantou deposit and Diarakoro some 9km to the south. From satellite imagery it is also clear that there are temporary camps for artisanal miners close to the deposit.

The terrain is relatively flat and sits at an elevation of approximately 300mamsl. The Bantou

and Bantou North deposits are located directly east of a topographic low formed by a riverbed, that sits at an elevation of approximately 280 mamsl, while Bantou West Proximal lies directly west of that same riverbed. Toward the centre of the property are isolated hills and ridges that rise to 513mamsl. The deposits in the Karankasso area are contained in a north-northeast trending valley with elevation ranging between 300mamsl and 350mamsl.

The permit areas lie within the upper reaches of the Mouhoun River basin and more locally within the catchment of the Bougouriba River. The main Bantou deposit straddles the Bougouriba River, which is disturbed by artisanal mining in the vicinity of the deposit. The local communities use groundwater sources for their water supply.

The vegetation in the region is a mosaic of cultivated land and tropical acacia savannah and the area belongs to the '*West Sudanian Savanna*' ecoregion. There are some '*Classified Forest* and Partial Wildlife Reserve' protected areas according to the WDPA surrounding the project site. These include the Dan and Nabéré forests that are downstream of the main Bantou deposit area.

There is no significant infrastructure near the site; Diebougou is the nearest town with basic hospital, hotel and limited resupply facilities. Any significant supplies must be sourced from Ouagadougou or Bobo-Dioulasso. Unskilled local workforce is available readily in the area; however, skilled workers, general services and equipment is only available from major cities such as Bobo-Dioulasso or Ouagadougou.

Environmental and Social Issues

Environmental and Social investigations to date are limited and have not yet sufficiently advanced to support and inform environmental approvals or other regulatory documentation. This aside there are a number of items which are highlighted below which will inform the trajectory of future site investigations and associated studies:

- **Water:** The management of surface stormwater will be important due to large inter-year variability, potential for heavy rains periods during the wet month and relatively flat ground. The impact of both surface and groundwater has not been studied to date but will be a key focus of future environmental and social studies;
- **Loss of biodiversity:** The project is near to several protected forests and as such the potential impacts on habitats and species of conservation importance need to be defined. It is however expected that natural habitats will be largely transformed by agriculture and artisanal mining activity, as is common in this part of Burkina Faso;
- **Illegal artisanal miners:** The project area has a large population of illegal artisanal miners using simple processing methods to recover gold in small-scale workings and streams. This will be the main source of income in the area and needs to be considered in resettlement and community development programmes; and
- **Resettlement:** There are two villages within the main permit area with the closest village of Kongango within 3km of the main Bantou deposit along with the presence of artisanal miners. It is likely that both physical and economic resettlement will be required prior to project development. This process should be guided by a resettlement action plan and livelihood restoration plan ensure people are better off following the resettlement process.

13.3.7 Work Programme

The Bantou 2019 TR included a proposed work programme which incorporated various activities to progress the Bantou AEP to pre-feasibility study level and assumed total expenditures of US$14.8m with US$10.0m assigned to a definition drilling campaign. The

exploration drilling programme was designed to upgrade most of the Inferred Mineral Resources reported into the Indicated Mineral Resource category, increasing the confidence in the open pittable portions and to test the potential for underground Mineral Resources.

Following the Semafo Acquisition, the Group completed a detailed review of the proposed work programme and for 2021 the proposed exploration programme assumes total expenditures of US$7.0m.

In respect of advancing the Bantou AEP, further technical work is also considered appropriate with respect to ESG considerations and in this respect, the following areas warrant consideration: the potential impacts and constraints relating people and biodiversity and ecosystems, considering that the project is likely to displace people and impact on water resources; and to assess at a conceptual level a resettlement action plan for the project.

13.3.8 Risks and Opportunities

The key **risks** relating to the Bantou AEP are:

- **Geology and Mineral Resources (Bantou Domains):** There is room for improvement regarding the mineralisation domains used to constrain the estimate at Bantou, where modelled wireframes sometimes link grade intercepts without consideration of lithological logging, in contrast to the strata bound mineralisation interpreted at the deposit. As a number of the estimates are of a historical nature, data management is a challenge in that validating block model domain codes due to the inability to source the originally informing wireframes. Access to alternative wireframes indicated domains which were volumetrically smaller, with less along-strike and down-dip continuity and are considered to be more geologically appropriate. Clipping the surplus portions out of the reported resource domains reduces the contained metal reported in the portion of Mineral Resources amenable to open pit mining by approximately 10%.

  With regard to the grade estimate, the use of hard boundaries between high- and low-grades domains within the same geological package (BIF or chert) is not considered justified on the basis of the available information, where neither the geological interpretation (strata bound mineralisation) or the log-normal distribution of the domained samples within each geological domain (high + low grade) indicates that these populations are unrelated. Additionally, the parent block size (2.5m by 5m by 5m) is too small at Bantou, potentially indicating a greater degree of selectivity than the relatively wide spaced drilling (drill fences typically spaced 50m to 80m apart) allows. Block grade estimates typically validate satisfactorily within the low-grade domains, however due to the large search ellipse and specified sample requirements for second and third search passes, high grade intercepts have overinfluenced significant volumes within the high-grade sub-domains such that local validation is poor in these domains. The absence of density measurements covering each material type (weathering intensity), per lithology, and the subsequent allocation of “fresh” or “transition” densities to some saprolite material. Given the relative volume of the material affected, this is not considered a significant issue for the reporting of Inferred Mineral Resources, but this represents an area warranting further sampling across both the Bantou and Karankasso deposits prior to future iterations of the models.

  At Bantou North, the geometry of the geological domain used for grade estimation broadly appropriate in the context of the spatial distribution of assay, and lithology data available. A second, “high grade” sub-domain has been produced and broadly encapsulates the apparent trend and plunge (approximately 35/035) of a high-grade feature, likely controlled by intermediate composition dykes. This domain was not used, nor the interpreted trend applied during grade estimation. Future iterations of the model would benefit from the

incorporation of this trend, rather than the application of an isotropic search ellipse. The selected parent block size (5m by 5m by 5m) is too small in the context of the drill spacing (50m to 100m), however the estimate is in general highly smoothed, so this is unlikely to be a significant issue. Overall, block grades validate well versus input samples, and SRK does not consider any material issues with the block grade estimates on the basis of the available data;

- **Geology and Mineral Resources (Karankasso Domains):** The estimated block models for the Karankasso deposits are sufficiently robust for the reporting of Mineral Resources according to the classifications applied, with no significant issues identified. The geological domains used to constrain the Mineral Resource appear to be a reasonable reflection of the underlying mineralised trends suggested by the distribution of the downhole assay data, and the volumes adequately differentiate between mineralised and un-mineralised drill core, with limited (for the most part) inclusion of internal waste and exclusion of high-grade intersections. The selected composite lengths and capping limits are generally appropriate, and, at a global scale, the block model estimates to not exhibit any significant bias relative to the input composites. Given the relatively minimal quantity of resource definition drilling to date, and the current drill spacing, the Inferred Mineral Resource classification assigned to the Karankasso block models is appropriate. That said the distribution of estimated Au grade and reliability of the block estimates at a local scale, particularly in regard to the Diosso, Karangosso and Kueredougou West deposits warrants further attention. For these deposits, the local distribution of estimated block grades is irregular and erratic, with large changes in grade over short distances, and often shows poor correlation with the corresponding composite grades. This is a consequence of the selected search parameters, particularly the search direction and search ellipse dimensions. The use of a fixed search orientation, coupled with a relatively small across-strike range (15 for Karangosso and 25m for Diosso and Kueredougou West) relative to the drill spacing, results in the search ellipse often being unable to capture samples from adjacent holes along-strike and down-dip in areas of wider drill spacing, where the ellipse orientation is not optimised to the local trend of the corresponding domain. This compromises confidence in the local distribution of grade within the block models, although it does not appear to introduce any material bias at a global deposit scale.

  The Karankasso deposits are subject to varying degrees of artisanal excavation. No detailed survey of the extent and depth of the artisanal works has been completed. Whilst noting that portions of the Diosso and Kien block models up to ~10m to 15m below surface have been excluded from the Mineral Resource to account for artisanal depletion, a more detailed survey of the artisanal excavations is carried out to allow for more accurate depletion of the block models.

  Statistical analysis of the downhole assay data inside the geological domains indicates a small, distinct high-grade population of mineralisation greater than approximately 5g/tAu at both Diosso and Karangosso. Visual analysis shows that these intervals form discrete clusters that could potentially be sub-domained from the main mineralisation wireframes as discrete high-grade volumes. Sub-domaining of these high-grade populations would allow for the high-grade structures to be more accurately reflected in the block model grade estimates and would help to prevent smearing of high grade from these intersections into areas of lower grade mineralisation; and

- **Environmental and Social Risks:** project development is likely to impact biodiversity, ecosystems and considering that the project is likely to displace people and impact water

resources, it is critical that collation of appropriate data at any early stage is key. Developing conceptual studies to assess and quantify potential impacts will inform mitigating strategies and risk management at an early stage.

The key **opportunities** relating to the Bantou AEP is completion of the work programme as proposed and to delineate sufficient Mineral Resources to inform project development with regards to both scope and scale.

13.4 Nabanga Advanced Exploration Property

The Nabanga AEP is an advanced exploration property which was acquired by the Group as part of the Semafo Acquisition on 1 July 2020 comprising a single exploration permit the "**Nabanga Permit**" (186.0km^2). The Group also manages the Nabanga AEP within the wider "**Nabanga Project Permits**" which includes the "**Koulsonde Permit**" (33.1km^2), the "**Kondagou Permit**" (246.6km^2), and the recently applied for "**Soudoubila Permit**" (191.9km^2).

Mineral Resources are reported on the Nabanga AEP but not on the other exploration permits forming the Nabanga Project Permits.

The total Mineral Resources as reported in the 2020 Statements totals 3.4Mt grading 7.69g/tAu for a total gold content of 0.8Moz over seven deposits comprising the Nabanga deposit.

All Mineral Resources are reported as potentially economic considering open pit mining methods and are reported within an optimised shell assuming a long-term gold price of US$1,500/oz and a cut-off grade of 3.0g/tAu.

For the year ended 31 December 2020 the Group has not specified any specific exploration expenditure for the Nabanga AEP. The technical information reported herein is based on a summary of the technical information presented in the *"Nabanga Project NI 43-101 Technical Report – Preliminary Economic Assessment",* published on 14 November 2019 by DRA Met-Chem (the "**Nabanga 2019 TR**").

The Nabanga 2019 TR includes technical economic parameter projections (production, opex and capex) based on material that is presently not reported as Ore Resources. The conceptual level study assumes construction of both a short life (1 year) open pit and an underground mining operation (8 years) processing through a 360ktpa comminution, flotation and CIL Plant to produce 60kozAu to 70kozAu per annum assuming a gold recovery of 92.0%. The conceptual study assumes capital investment of US$83m of initial construction capital and US$56m of sustaining capital and assumed mine closure costs of US$5.0m. Operating cost assumptions assume open pit costs of US$45/$t_{ore}$, underground mining costs of US$54/t, processing costs of US$47/t and general and administration costs of US$13/t.

Cash cost report a weighted average AISC of US$760koz/Au. Assuming a gold price of US$1,300/oz the Nabanga 2019 TR reports a post-tax pre-finance net present value at a 10% discount factor of US$59.7m.

This CPR is limited to reporting future TEPs based on Ore Reserves alone and as such any projections which is not supported by Ore Reserve statements are expressly excluded.

13.4.1 Mineral Asset Background

Location, Access and Infrastructure

The Nabanga AEP is located at latitude 11°18'29" north and longitude 00°32'34" east in Burkina Faso, West Africa (Figure 13-7).

The Nabanga AEP is accessible from Ouagadougou by travelling 220km to the east via all-weather, paved Highway RN04 (Route Nationale) to Fada-n'Gourma. Proceeding approximately 80km southward along paved RN18 will lead to about 15km east of the Nabanga

Permit. A gravel road that crosses the Kompienga River provides the main access to the Property and different sectors of the Nabanga Permit can be reached by various roads, drill tracks and trails. Access during the rainy season may be problematic, particularly where the road crosses the river. However, alternate routes allow access from the west for the greater part of the year. Access to the different prospect areas is excellent during the dry season.

Fada-n'Gourma is the nearest town where basic services and supplies are available. With a population of 61,000, it is serviced by a hospital, hotels, and a 991m long dirt-surface landing strip. Specialized services and equipment have to be sourced in Ouagadougou.

Currently power is envisioned to be provided by on-site generation but may be either from the Kompienga dam power station or from the regional electricity grid. The Nabanga AEP is 10km away from a hydro-power line. Kompienga Lake is in close proximity to the southwestern sector of the Nabanga Permit and the Kompienga River crosses the easternmost part of the Nabanga Permit. An east-flowing tributary crosses the centre of the northern tier of the Permit.

Development of the Nabanga AEP will require upgrade or construction of infrastructure, such as: road access, water and power supply, waste dumps and tailings storage areas, leach pad areas, as well as plant and camp facilities.

Physiography and Climate

The Nabanga Permit area is at an elevation of about 200m above sea level and is relatively flat. The mineralised structures form minor, elevated ridges which may rise some 10m to 20m above the surrounding plains.

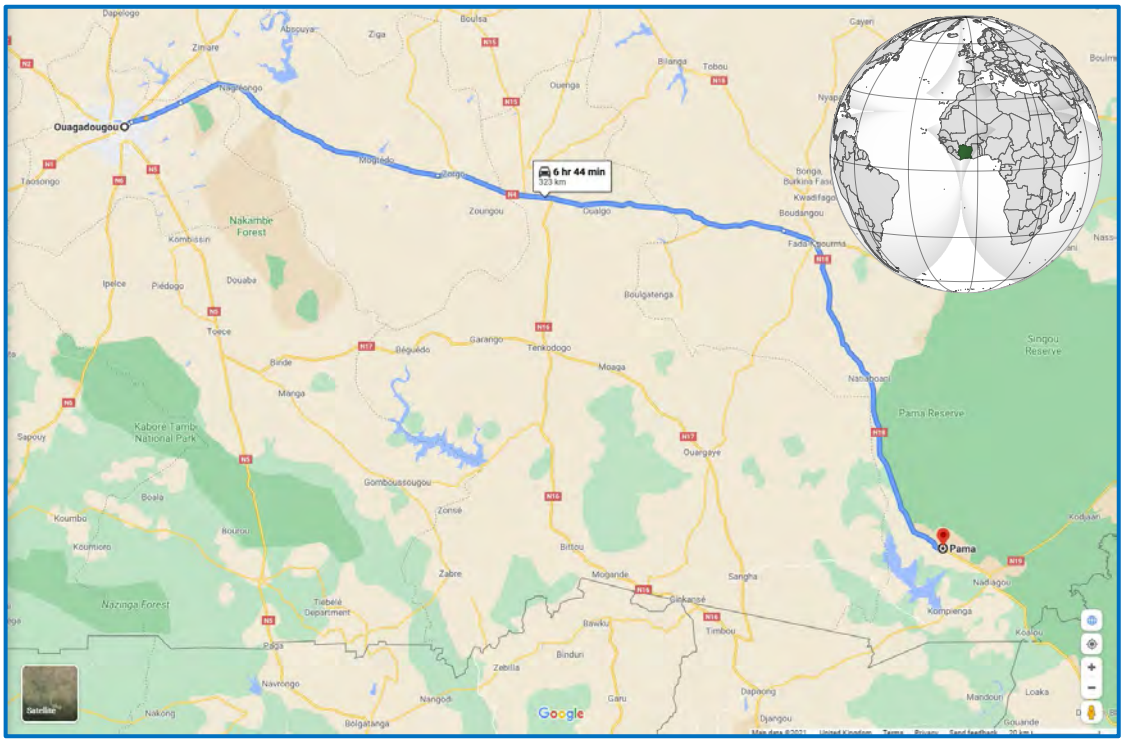
The majority of the Burkina Faso landmass, including the region of the Nabanga Permit, lies on a savannah plateau 200m to 300m above sea level. Plant life in the area is mainly restricted to tall grass, shrubs and isolated trees, notably of the acacia species. A tendency towards deforestation by human causes is observed. Scattered plots of cultivated land are present on the Nabanga Permit around small settlements of a few houses.

Three principal climate zones can be distinguished in Burkina Faso:

- Sahelian zone in the north: semi-arid steppe, characterized by three to five months of rainfall;
- Sahelian-Sudanian zone, across the centre of Burkina Faso; and
- Sudanian zone in the south: increasingly tropical wet-dry type climate, with a greater variability of temperature and greater total rainfall than in the north.

The Nabanga Permit is located in the southern portion of the Sahelian-Sudanian zone. The region is under semi-arid climatic conditions, characterized by a rainy season from May to September and a dry season between October and April. During the dry season, the harmattan, a dry wind blowing from the northeast or east off the Sahara Desert, carries large amounts of dust over hundreds of kilometres. A hot, dry period extends from February to April in the area. April is the warmest month of the year, with an average temperature of 32.1°C, and January has the lowest average temperature at 25.0°C.

Figure 13-11: Nabanga AEP location map



Ownership, Mineral, Mining and Exploration Rights

The Nabanga exploration permit (also known as Nabangou and the Nabanga Permit) is registered under the name of Birimian Resources, in which the Group has a 90% equity interest with the remaining 10% reflecting a carried ownership of the GoBF. The Nabanga Permit extends over an area of 186.0km^2 and will expire on 19 March 2023.

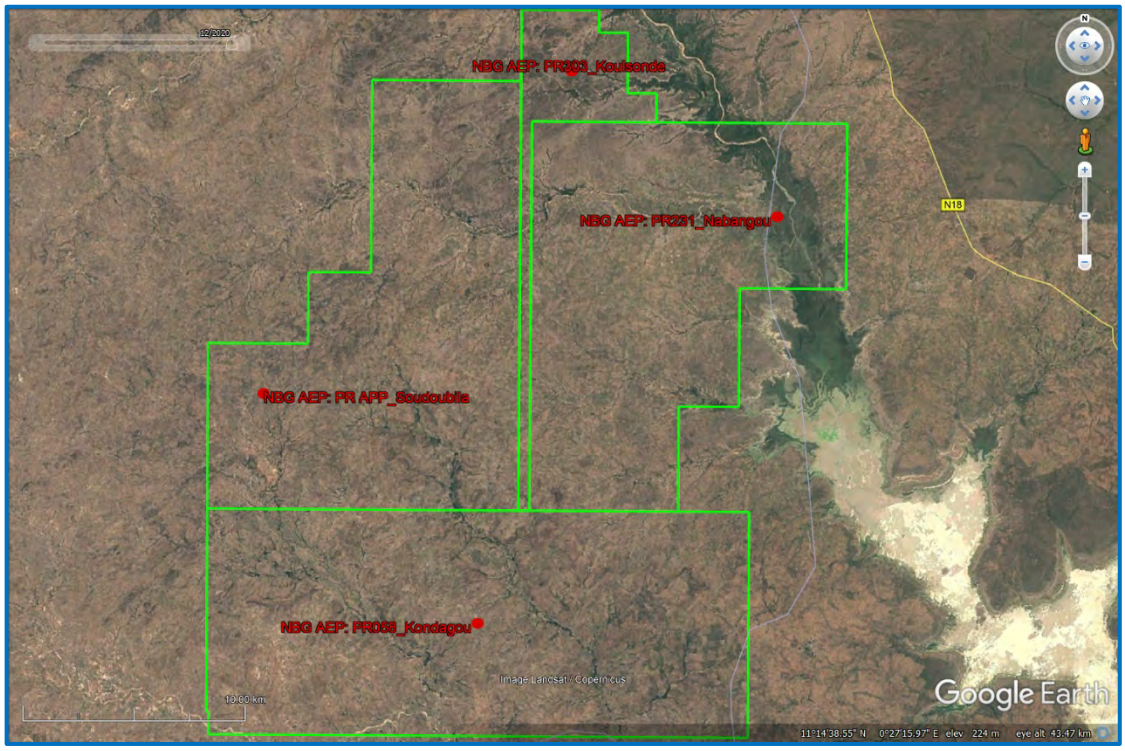
The Nabanga AEP is subject to the graduated royalties noted in Burkina Faso 3% to 5% royalty, on a sliding scale based on prevailing gold prices: all shipments with gold spot prices lower or equal to US$1,000/oz are subject to a royalty rate of 3%; a 4% rate is applied to all shipments with gold spot prices between US$1,000/oz and US$1,300/oz; and a 5% royalty rate is applied on all shipments with a gold spot price greater than US$1,300/oz. In addition, any future production from the Nabanga Permit permits the original vendor of the permit to retain a 1% net profit royalty.

The Group also manages the Nabanga AEP within the wider Nabanga Project Permits which includes both the Nabanga Permit (186.0km^2), the Koulsonde Permit (33.1km^2), the Kondagou Permit (246.6km^2), and the recently applied for Soudoubila Permit (191.9km^2).

Table 13-12: Nabanga AEP and Regional Exploration Permits

Entity	Licence	Name	Equity (%)	Area (km^2)	Expiry Date	Tenure (years)
Birimian Resources SARL (100%)	Nabangou	2020-231/MMC/SG/DGCM	90.0	186.0	19/10/2023	2.8
Regional Exploration Permits						
Birimian Discovery SARL (100%)	Koulsonde	2020-303/MMC/SG/DGCM	90.0	33.1	29/12/2023	3.0
Birimian Discovery SARL (100%)	Kondagou	2020-058/MMC/SG/DGCM	90.0	246.6	23/04/2023	2.3
Birimian Resources SARL (100%)	Soudoubila	App_Soudoubila_20200925	90.0	191.9	Application	-

Figure 13-12: Nabanga Advanced Exploration Property mineral tenure map



Historical Development

The Nabanga Permit was originally granted to Mr. Sayouba Sawadogo on 1 April 2008 by Decree No. 2008-08-059/MCE/SG/DGMGC. The permit covered a surface area of 238km^2 that was reduced by 25% to its current 186.0km^2 upon the second renewal. The Nabanga Permit was subsequently acquired under an option agreement by Birimian Resources Sarl, a company 100% owned by Semafo under the acquisition of Orbis Gold in 2015. Birimian Resources was a wholly owned subsidiary of Mt Isa Metals Limited ("**Mt Isa**"), a mining company headquartered in Brisbane, Australia, that changed its name to Orbis on 9 August 2012. Mt Isa acquired a series of mining properties in Burkina Faso and started exploration in 2010.

Prior to 2008, there is no known exploration reported to have occurred on the property and Orbis initiated an exploration programme which led to the discovery of a gold deposit in 2011 and ultimately the reporting of a Mineral Resource in August 2012 comprising an Inferred Mineral Resource totalling 3.2Mt grading 6.45g/tAu and containing 659kozAu. This was reported assuming a cut-off grade of 0.5g/tAu and a minimum mining width of 1.5m. An updated Inferred Mineral Resource was reported in 2015 comprising 1.84Mt grading 10.0g/tAu and containing 590koz Au based on application of a cut-off grade of 5.0g/tAu.

Following acquisition by the Group and additional exploration activities an updated Mineral Resource was published in 2018 and reported a total Inferred Mineral Resources of 3.4Mt grading 7.69g/tAu and containing 841kozAu which remains as the currently reported Mineral Resource for the Nabanga AEP.

13.4.2 Geology and Mineral Resource estimation

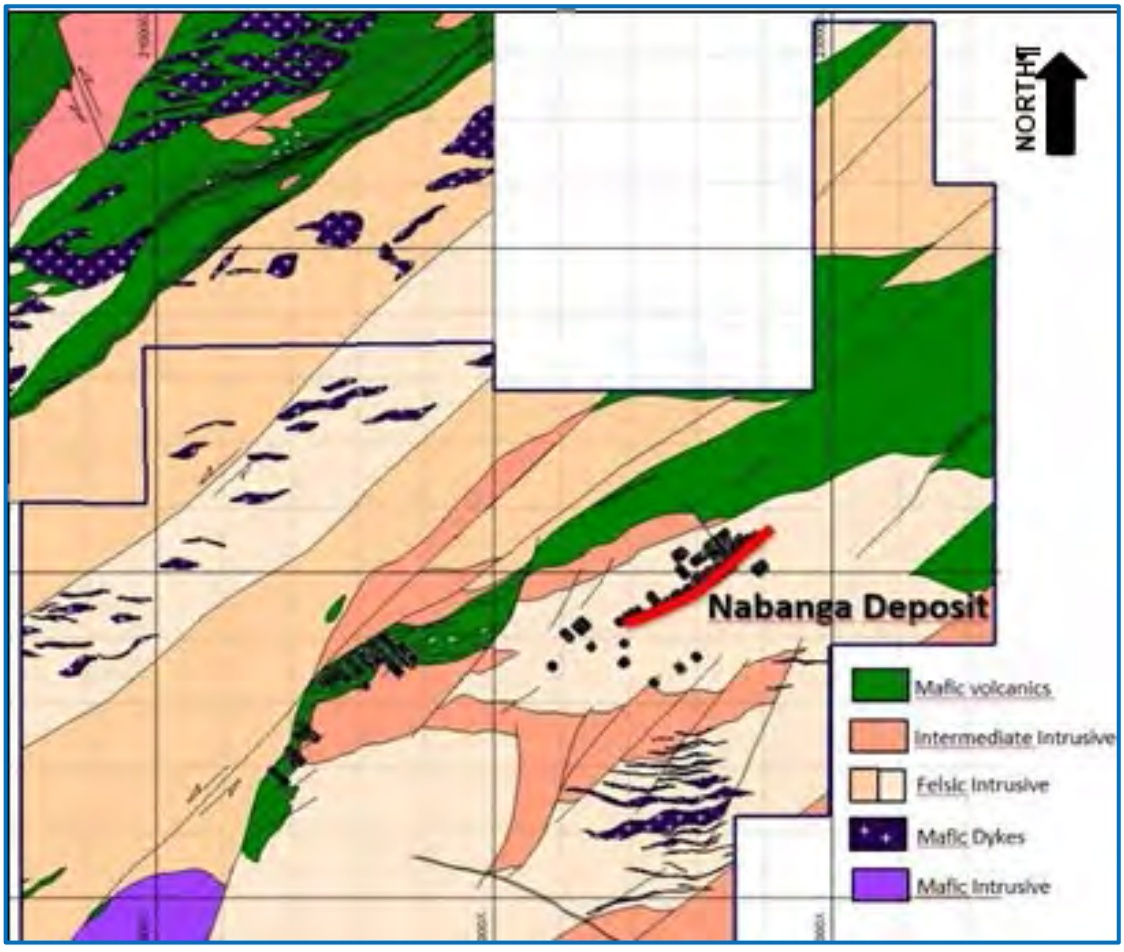
The Nabanga deposit is located within the Paleoproterozoic Birimian province, along a major northeast trending shear zone which separates the Youga Belt and Diapaga Belt in southeast Burkina Faso. The deposit formed immediately southeast of the shear, in the Diapaga Belt, which is comprised of metamorphosed intermediate volcanic rocks, sediments, foliated or migmatitic granite and gneiss, with less common mafic volcanic rocks and mafic-ultramafic

intrusive complexes.

The local geology of the Nabanga project is dominated by a large ~5km wide east-northeast-trending granodiorite intrusive, which intrudes an amphibolite sequence (porphyritic basalt to andesite precursor). Geophysical survey data indicates that the granodiorite is semi-concordant with the regional meta-volcanic and meta-sedimentary layering.

Gold mineralisation is primarily hosted by a continuous, massive quartz vein, with a distinctive alteration halo, which follows a northeast trending shear within the granodiorite intrusion. The vein has a proven strike length (from artisanal mining, mapping and drilling) of approximately 4km, with high resolution magnetic surveys indicating a continuation over several kilometres to the southwest, beyond the currently defined extent. The vein, which dips at around 55° to 70° to the northwest, is typically between 1m to 5m thick. The highest concentrations of gold are contained within a series of distinct high-grade shoots that plunge at around 45° to the northeast. Preliminary mineralogical studies show that the gold mineralisation occurs as fine (<10µm) gold ± silver telluride inclusions within pyrite grains. The weathering profile in the Nabanga deposit area is relatively shallow, with fresh un-altered rock at depths of around 10m to 20m below surface.

Figure 13-13: Nabanga Advanced Exploration Property surface geology



Exploration Activity

Exploration of the Nabanga deposit can be described in terms of two phases, from 2010 – 2013 by Orbis Gold, and from 2016 – 2018 by Semafo.

Exploration completed between 2010 and 2013 included: reconnaissance and field mapping;

grab sampling from shallow artisanal workings; mapping of artisanal workings through high resolution satellite imagery; several regional soil sampling programmes, typically on a 100m by 800m grid, with infill sampling in areas of interest at 50m by 200m; a high resolution airborne magnetic-radiometric survey; and an IP survey. RC and DD programmes completed within the Nabanga Permit during this period totalled 441 holes for 58,443m, of which 366 holes for 36,980m were RC, and 75 holes for 19,463m were DD with RC pre-collar.

Between 2016 and 2018 Semafo completed additional resource definition drilling on the Nabanga deposit, as well as a comprehensive exploration drilling programme across the wider Nabanga permit. Additional exploration undertaken during this period included field mapping, further mapping of artisanal mining sites, geochemical and geophysical surveying. The exploration drilling was completed in 2018 by auger, with a total of 8,530 holes drilled for 41,923m. The auger drilling was completed at a 25m by 800m spacing along northwest-southeast lines, with holes being drilled to a depth of around 5m. Resource definition drilling was completed between 2016 and 2018, totalling 78 RC holes for 8,820m and 25 DD holes for 7,148m.

Excluding auger holes, the total number of holes drilled across all phases is 514 holes for a total of 74,411m. Holes are generally drilled on northwest-southeast sections, at a dip of around 60° to 75°, perpendicular to the strike of the mineralised quartz vein, and slightly oblique to perpendicular to the dip direction. Section spacing ranges from 25m to 100m, with on-section spacing typically at around 25m near-surface, and 50m to 100m at depth.

Table 13-13 provides a summary of drilling by phase, excluding auger holes, which were not used in the derivation of the Mineral Resource. The majority of diamond drilling was completed at NQ diameter. The 2010 to 2013 diamond holes were drilled with an RC pre-collar. The total meterage is inclusive of 11,723m of RC pre-collar.

Table 13-13: Nabanga AEP: exploration drilling data

Phase	RC Holes		DD Holes	
	(No)	(m)	(No)	(m)
2010 – 2013	366	36,980	75	19,463
2016 – 2018	78	8,820	25	7,148
Total	**444**	**45,800**	**100**	**26,611**

Quality and Quantity of Data

RC and DD sampling protocols were largely the same for the 2010-2013 and 2016-2018 drill campaigns.

Drill chips from the RC rigs were collected into polythene bags from the cyclone at 1m intervals. Each 1m interval was reduced to 2kg using riffle splitters, which were cleaned after each sample with a brush. For intervals with visually identified or suspected mineralisation, the 2kg splits were placed into a polythene bag with a sample tag and shipped directly to the analytical laboratory for sample preparation and analysis. During the 2010 – 2013 campaign, samples outside of the primary mineralised zones and without visually identified mineralisation were grouped into 4m composites (of adjacent samples) prior to submission to the analytical laboratory, and the remaining chips from each original 1m sample stored on site. For each 4m composite that returned an Au grade in excess of 0.25g/tAu, all the 1m sub-samples from the corresponding 4m composite and the adjacent 4m composites were re-submitted for analysis (as 2kg to 3kg splits) and used to supersede the 4m composite assays in the project database. During the 2016 – 2018 campaign, RC sample assaying was normally completed down the full length of each hole at the original 1m sample increments.

Diamond core samples are typically 1m in length, however interval lengths were adjusted in places to honour lithological and mineralisation contacts. Core samples from the 2010 – 2013

campaign are between 0.4m and 1.2m in length, whilst core samples taken between 2016 and 2018 are 0.5m to 1.0m in length. For all diamond holes, core was sampled by marking up the drill core according to the determined sample intervals and cutting each sample along the length of the core using a diamond core saw, with the right half placed into a polyethylene bag, prior to shipment to the analytical laboratory.

During the 2010 – 2013 campaign, sample preparation and analysis was undertaken at a combination of 3 laboratories, namely BIGS, ALS and SGS laboratories, all of which are located in Ouagadougou. Specifically, all drill core samples were prepared and analysed at BIGS, approximately 40% of the RC samples (relating to those drilled in 2010 and part of 2011) were prepared and analysed at ALS and the remaining RC samples prepared and analysed at SGS. During the 2016 – 2018 drill campaign, all samples from both RC and DD drilling were analysed at ALS, using the same sample preparation and assaying methodology as applied at ALS in 2010 and 2011.

ALS is certified to ISO 9001:2015 standards and accredited to ISO 17025:2005. The SGS laboratory in Ouagadougou was officially recognised by the SANAS for meeting the requirements of the ISO/IEC 17025 standard for specific registered tests for the minerals industry in July 2015. It is noted that this post-dates the analyses completed on the Nabanga samples. The BIGS laboratory was established in 2007 and achieved certification to ISO-17025 standards specific for analytical laboratories and ISO-9001 for quality management system by SANAS in 2009. SGS, ALS and BIGS are all well-established commercial laboratories and are independent of Semafo.

At SGS, samples were crushed to 80% passing 2mm. The sample was subsequently split by riffle splitter, with one half reduced to 85% passing 75µm in a bowl and puck pulveriser. At ALS, samples were initially crushed to 70% passing 2mm. A 250g sub-sample, split by riffle splitter, was pulverized to 85% passing 75µm. BIGS crushed the samples to <2mm using a Boyd jaw crusher and prepared a sample of approximately 1kg using a riffle splitter to be processed by an LM2 pulveriser to 90% passing 75µm. All samples were analysed by fire assay on 50g aliquots with an AAS finish. Any samples exceeding an upper detection limit of 100ppm Au were re-assayed using 50g fire assay with a gravimetric finish.

Throughout both the 2010 – 2013 and the 2016 – 2018 drill campaigns, the assay results were monitored through the implementation of a QA/QC programme, involving the insertion of blank samples, CRM and duplicates into the sample stream. During the 2010 – 2013 campaign CRM sourced from Ore Research and Exploration Pty Ltd ("**OREAS**") were inserted at a rate of 2.8%, whilst field duplicates, typically from the mineralised zones, were inserted at a rate of 2.2%. Field duplicates were taken as splits from the RC chips. No documentation of DD field duplicates is documented. A single blank sample was inserted at the start of each drillhole sample sequence, and an additional blank inserted within the mineralised sequence for each hole. The results of the QA/QC analysis completed between 2010 and 2013 do not demonstrate any significant contamination, show good repeatability of results in the field duplicates, and reasonable CRM performance. During the 2016 – 2018 drill programme, CRM samples, field duplicates and blank samples were inserted into the sample stream at rates of 3.0%, 5.4% and 2.7% respectively. Additionally, pulp duplicate samples were analysed at the SMF-BF as an umpire check on the ALS analyses. The blank sample analyses completed did not indicate any material contamination, and the pulp duplicate analyses completed at the SMF BF laboratory did not show any material bias to the ALS results. However, there is some concern over the results of the CRM analyses, for which approximately 15% returned values outside of 3 standard deviation confidence limits of the mean. These failures were both positive

and negative, with no systematic bias evident. Some of the batches that included significant CRM failures were submitted for re-analysis. Additionally, it is noted that the drill core field duplicates, which were submitted as quarter core (with half core originals), show poor repeatability to the original results. Given the reasonable performance of the pulp duplicates, this has been interpreted as a function of the small sample size (quarter core duplicates of NQ size core) and high nugget effect. No field duplicate results for RC drilling during the 2016 – 2018 campaign are documented.

In addition to the QA/QC sample checks, a minimal programme of twin drilling, involving 4 HQ diameter DD twins of RC holes, was completed during the 2010 – 2013 drill campaign. The results of this exercise showed a reasonable level of repeatability, with no clear smearing of grade in the RC drilling or any systematic bias.

Mineral Resource Estimation

The Mineral Resource model for the Nabanga deposit was updated by Semafo in December 2018. The estimate was based on the results of RC and DD drilling from both the 2010 – 2013 and 2106 – 2018 drill campaigns. It is noted that the considerable majority (>96%) of data that falls inside the estimation domains used to constrain the Mineral Resource relates to the 2010 – 2013 drill campaign. Geological modelling was completed in Micromine Version 16.1. Data conditioning, block modelling and grade interpolation was completed in Datamine RM, and variography undertaken in Geostat+ 2.0.

Two parent geological domains were constructed. Namely, a high-grade quartz vein domain, defined based on a modelling cut-off of 1g/tAu, and a surrounding altered granodiorite halo, defined based on a modelling cut-off of 0.2g/tAu over at least 2m. Both domains were constructed by digitising strings on 2D sections, connected in 3D by tie-lines. Only the high-grade quartz vein domain was considered in reporting the Nabanga Mineral Resource statement.

The geological domains were used to code the raw drillhole file for capping and compositing. Grade capping was undertaken prior to compositing. A 70g/tAu cap was applied to the samples of the high-grade quartz domain, based on the assessment of log probability plots and an analysis of the percentage of cumulated metal against cumulated sample proportion. After capping, the samples inside the quartz vein domain were composited to 1m.

A block model was generated, coded and sub-blocked by the geological domains. The block model has a parent block size of 5m by 5m by 5m and a minimum sub-block size of 0.005m by 0.625m by 0.008m. The block model is rotated around the Z axis at 55° to the east, parallel to the overall strike of the geological domains. Au grade was estimated into the block model, based on the capped composite samples inside the corresponding domain, by OK, with kriging parameters guided by the results of variogram modelling. Hard boundaries were applied between the quartz vein domain and the granodiorite halo domain. Three successive search passes were applied. The search pass 1 ellipse range was set to 50m (along-strike) by 50m (down-dip) by 10m (across-strike). The ellipse dimensions were expanded to 100m by 100m by 20m for search pass 2 and to 125m by 125m by 25m for search pass 3. For both search pass 1 and 2, a minimum of 7 composites were required for estimation, with a maximum of 25 composites including a maximum of 3 composites per drillhole allowed to estimate into each block. For search pass 3 the minimum number of composites required for estimation was relaxed to 4. No information is provided in the 2018 Mineral Resource report on the orientation of the search ellipse, other than that the ellipse is parallel to the overall strike and dip of the mineralisation.

The block grade estimates were validated by Semafo by visual assessment of the block grades

in relation to the composite grades, and by basic statistical comparison of the block grades and composite grades, by domain.

A fixed density of 2.7g/cm^3 was assigned to the block model, based the average density from of a total of 136 measurements of the quartz vein mineralisation made on drill core (using the water immersion method) during the 2010 – 2013 drill campaign. This single fixed density was assigned to both the quartz vein and granodiorite domains, with no change in density based on oxidation state. All blocks estimated in Search Pass 1 – 3 were classified as Inferred Mineral Resources, with no Measured Mineral Resources or Indicated Mineral Resources defined.

Historical Mineral Resource Statements

Historical Mineral Resource statements for the Nabanga AEP have been reported in 2012 and 2015 with that reported in 2015 comprising an Inferred Mineral Resource of 1.84Mt grading 9.97g/tAu and contained gold of 590koz.

13.4.3 Mineral Resource Statements

As at 31 December 2020 Nabanga AEP reports total Mineral Resources (Table 13-14) of 3.4Mt grading 7.69g/tAu containing 0.8MozAu all of which is currently classified as an Inferred Mineral Resource. Subdivided by weathering type the Mineral Resource comprises oxide material of 138kt grading 7.17g/tAu, transition material of 136kt grading 6.73g/tAu and fresh material of 3.1Mt grading 7.76g/tAu. The Mineral Resource is reported at an in-situ cut-off grade of 3.0g/tAu on the assumption that the majority of the Mineral Resource would be amenable to selective mining assuming underground mining techniques.

In all instances SRK concludes that:

- The Mineral Resources statement has an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations assuming a long-term gold price of US$1,500/oz;
- The parameters assumed to support the reporting of Mineral Resources for the Nabanga AEP comprise:
  - Unit ore mining operating expenditure of US$55.00/$t_{mined}$,
  - Minimum mining widths of 1.5m and including of 0.5m skin on each wall resulting in an average external dilution of 305 and internal dilution of 15%,
  - Mining recovery of 95%,
  - Mining dilution ranging of 10% and mining (metal losses) of 5%,
  - Unit processing costs of from US$41.47/t,
  - Unit general and administration costs of US$14.44/t,
  - Refining charges of US$3.0/oz,
  - Assumed metallurgical recoveries of 92%,
  - A royalty of 5.0% and development tax of 1.0%; and
- Application of an in-situ cut-off grade of 3.0g/tAu.

Table 13-14: Nabanga AEP: Mineral Resources as at 31 December 2020

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Indicated												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-

Classification	Total			Oxide			Transition			Fresh		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Measured + Indicated												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Inferred												
Nabanga o/p	3,402	7.69	841	138	7.17	32	136	6.73	29	3,128	7.76	780
Subtotal	**3,402**	**7.69**	**841**	**138**	**7.17**	**32**	**136**	**6.73**	**29**	**3,128**	**7.76**	**780**
Mineral Resources												
Nabanga o/p	3,402	7.69	841	138	7.17	32	136	6.73	29	3,128	7.76	780
Total	**3,402**	**7.69**	**841**	**138**	**7.17**	**32**	**136**	**6.73**	**29**	**3,128**	**7.76**	**780**

13.4.4 Exploration Potential

Exploration potential at the Nabanga deposit is largely linked to the requirement for further testing of the down dip and strike extension of currently defined mineralisation. In addition, there is a requirement to further test the prospectivity of the broader licence areas as well as the additional permits comprising the broader Nabanga Project Permits.

13.4.5 Other Technical Studies

Technical studies completed to date are reported in the Nabanga 2019 TER and comprise:

- **Mine design considerations:** Optimisation and design work to include development of a small open pit and an underground mining operation with a total operating life of 9 years. Assumed slope angles for the open pit ranged from 40° to 42° in the upper part of the slopes and 55° to 60° in the fresh rock mass. Consideration of a long hole stoping method for underground mining with inter level spacing of 40m from surface down to a depth of 120m targeting a vein structure dipping at between 65° and 70°. A minimum mining width of 1.5m was assumed and mine stope optimiser analysis indicating a mining strike length extending over 2km with access assumed through several ramps accessed from three portals. In addition to the above preliminary designs for ventilation networks and other mine services were also completed;
- **Mineral Processing and Metallurgical** testing comprising ball mill work index tests and SMC tests which classified the ore as very hard and medium abrasive. Furthermore, ALS Amtec performed cyanidation tests. Process development focused on establishing a conventional sulphide gold/silver processing facility considering the constructability, operability and maintainability of the processing facility. The results indicate that material has refractory characteristics as a high concentration of cyanide is required to obtain good leach results.

  The assumed flowsheet targeted nominal 360ktpa RoM to produce 571kozAu of gold over the LoMp and incorporated a jaw crusher, SAG mill, ball mill operating in closed circuit with the cyclones with the cyclone overflow flowing to a flotation circuit. Flotation concentrate is ground to 25 micron and processed in an intensive leach reactor, while the flotation tailings will be processed in a more conventional CIL circuit, followed by the carbon elution, electro-winning and refining. The estimated combined gold recovery is assumed at 92%;
- **Tailings Storage Facility:** The study assume construction of a facility with storage capacity of 3.0Mt with a placed density of 1.5t/m^3 for a total placed volume of 2.0Mm^3;
- **Infrastructure:** The existing (Route Nationale) RN18 connects the town of Fada-n'Gourma to the border between Burkina Faso and Togo. Starting approximately 80km South of Fada-n'Gourma, a new access road connecting the RN18 to the Nabanga Process Site is required to be developed over a distance of about 11km. The power demand of the Semafo site was determined to be 5.8MW based on the estimated connected loads, running loads and running power for the process operation. The proposed power plant consists of five generators using Light fuel oil fuel (four in operation, one in stand-by, maintenance or repair). In addition to the concentrator building that will house the processing equipment, the site will

include administration and mine offices, an accommodation camp and cafeteria, a warehouse, a metallurgical laboratory, and a security gate; and

- **Capital and Operating Expenditures:** the Nabanga 2019 TR proposed that initial capital of US$83.7m was required to establish operations with the processing facility and waste management accounting for approximately US$30m. Sustaining capital is estimated at US$55.9m.

13.4.6 Environmental and Social Aspects

Environmental and Social Setting

The Nabanga AEP is situated within the Soudougui Department of the Koulpélogo Province in the Centre-Est Region. There are no named villages within the main Nabanga exploration permit area but there is a substantial artisanal mining community at the Nabanga deposit. Hundreds of dwellings are located immediately to the north of the proposed open pit. Livelihoods in the area are mainly based on agriculture and artisanal mining.

The closest official villages are Kompienbiga, some 3km to the east of the permit boundary (10km from the planned open pit) and Diabiga, some 8km to the southeast of the Nabanga permit boundary (18km from a potential open pit). Other notable villages and towns are Napadé (13km west of the planned pit) and Soudougui (18km to the east of a potential pit).

The Nabanga AEP lies within the catchment of the Volta River that drains into the Gulf of Guinea (Atlantic Ocean) and within the sub-catchments of the Oti River and tributary Kompienga River. A minor (ephemeral) tributary of the Kompienga River flows through the northern part of the Nabanga exploration permit area from west to east with potential open pit terminating less than 200m from this river.

There is no significant infrastructure near the site, with Fada-N'Gourma the nearest city where basic services and supplies are available with a hospital, hotels, and dirt surface landing strip. Specialized services and equipment must be sourced from Ouagadougou with skilled labour a combination of local and expatriate personnel.

Power is likely to be sourced from on-site generation but may be supplemented by the Kompienga dam power station 30km to the southeast or from a hydro-power line 10km away from the project. The Kompienga River and lake (downstream of the project area), as well as the minor tributary that crosses the centre of the northern tier of the permit area may represent a source of water for a mining operation (although this is ephemeral and flows mainly in the rainy season).

Plant life in the project area is mainly restricted to tall grass, shrubs and isolated trees, notably of the Acacia species and the area belongs to the 'West Sudanian Savanna' ecoregion; however, the natural vegetation has been modified significantly by humans. Downstream of the Nabanga deposit, in the northeast area of the Nabanga permit area, is the Kompienga lake. According to the WDPA, this lake and the surrounding wetlands are protected under the Ramsar Convention on Wetlands. A description of the site is provided below from the Ramsar sites information service: *"The site comprises a permanent freshwater lake, as well as human-made features including several irrigated land areas and a dam which is principally used for the production of hydroelectricity. The presence of the dam has allowed for diversification of income generating activities, to include fishing, and crop and livestock farming. The site is also home to a variety of flora and fauna. Threatened animal species include hippopotamus, lion and black crowned crane. The site also hosts the vulnerable African mahogany Khaya senegalensis. It is known to support over 20,000 water birds; at least 7,000 waders and 15,000 from the Anatidae family have been recorded."*

Environmental and Social Issues

Potential significant issues that will require management going forward are listed below.

- **Ramsar wetland (biodiversity and livelihood loss):** The location of a potential open pit less than 200m from an ephemeral river flowing directly into a Ramsar protected wetland some 800m downstream. The wetland is of international significance and contains a high level of biodiversity and endangered or protected species. The wetland is a natural resource base for a large number of people;
- **Water management:** Related to the above point, the usage and management of water from the Kompienga River and its (ephemeral) tributaries may impact on downstream receptors (humans and wildlife using the Kompienga lake) and local artisanal communities;
- **Illegal artisanal miners:** The project area has a large population of illegal artisanal miners using simple processing methods to recover gold in small-scale workings and streams. This will be the main source of income in the area and relations must be handled carefully to avoid conflict particularly if resettlement is required; and
- **Infrastructure:** At present the quality of infrastructure and amenities is considered poor; this includes roads and access routes, health care and electricity. Much investment in local infrastructure is therefore required prior to commencing operations

13.4.7 Work Programme

The Nabanga 2019 TR incorporated a work programme comprising definition drilling campaign and advancing both environmental and social studies and other technical studies to advance the project to feasibility study level. The work programme projected a total cost of US$4.56m of which US$1.0m was apportioned to complete a definition drilling campaign. This work programme has however not been implemented and the Group is reassessing the allocation of proposed expenditures for advancement of its AEPs and other exploration properties.

13.4.8 Risks and Opportunities

The key **risks** relating to the Nabanga AEP are:

- **Geology and Mineral Resources:** Overall, SRK considers that the estimated block model for the Nabanga deposit is sufficiently robust for the reporting of Inferred Mineral Resources. No significant flaws have been identified that would preclude the reporting of Mineral Resources; however, a number of items regarding the quality of the estimates should be addressed as part of future resource model updates:
  - Diamond drilling during both the 2010 – 2013 and 2016 – 2018 drill campaigns was primarily completed at NQ diameter. Field duplicate analysis completed on the 2016 – 2018 DD drilling (based on half core v quarter core analysis) indicates poor repeatability of results. In future, diamond drilling is carried out at a larger core size, such as HQ, to provide more representative samples and that these results are reviewed against the previous NQ results.
  - The use of rigid modelling cut-off grades in defining the boundaries of the quartz vein and granodiorite domains has resulted in examples of miss-allocation of the position of the domain boundary, where adjacent samples of very similar grade that straddle the modelling cut-off are delineated into separate domains. To avoid splitting of grade populations in this manner, a more flexible approach should be considered in defining the boundaries of the geological domains in future updates, including consideration of lithology.
  - The wireframing approach employed has resulted in a “jagged” appearance to the

wireframes in long-section, which, in some cases, erroneously include / exclude samples, and unduly restrict the extent of the quartz vein domain in places.

- There are instances where there is a slight mis-alignment between the domain coding in the estimation composite file and the domain wireframes, meaning that a small number of samples from outside the domains have been used for estimation, and a small number of samples inside the domains are excluded from the estimation.
- In the northeast of the deposit, the block model does not extend to the full length of the estimation domain model, with a 250m strike length of quartz vein domain excluded from the estimated block model.
- The block model is sub-blocked to an unnecessarily small size of 5mm in the X and 8mm in the Z.
- Gold mineralisation at Nabanga is observed to follow clearly defined high grade shoots. No plunge component has been incorporated into the estimation parameters, with both the kriging and search ellipse ranges being equal in the along-strike and down-dip orientations, meaning that the plunge orientation of the mineralisation is not fully captured in the block model grade distribution.
- In places, low-grade intersections are significantly over-estimated in the block model. This is most evident where thin, low grade intersections are immediately adjacent to thick, high grade intersections. The apparent over-estimation of the thin, low grade intersections is likely a function of the selected estimation parameters, whereby at least 7 composites are required for estimation. Where there is a relationship between domain thickness and grade, this means that multiple samples from adjacent higher-grade intersections will be used for estimation of blocks in the vicinity of lower grade intersections that may only include 1 or 2 composite samples. In this respect, a 2D estimation approach may be more appropriate for future model updates.
- That the estimation domains pass through such thin and low-grade intersections within generally higher-grade portions of the deposit in order to achieve model continuity may indicate that the high-grade zones are not as continuous as modelled.
- All blocks have been assigned a fixed density of 2.7g/cm^3 irrespective of rock type or weathering state. The density values assigned are based on core measurements from the quartz vein material alone. At this stage it is unclear as to whether the density of quartz vein domain that constitutes the Mineral Resource is materially impacted by weathering, however a more comprehensive density database should be compiled, with coverage across all lithologies and weathering states; and

- **Development Status Risks:** the results of the Nabanga 2019 TR indicate the potential for establishment of a commercial mining and processing operations, however significant additional work is required to be completed inclusive of extensive site-specific investigations. The ultimate goal will be to address all technical discipline areas to feasibility study level with an accompanying ESIA in order to demonstrate the technical and economic viability of the project. Furthermore, it is key that any further interim studies in respect of a pre-feasibility study should equally focus on all environmental and social aspects in order to identify and where possible de-risk ant project development and permitting risks as soon as practically possible.

The principal **opportunities** relating to the Nabanga AEP are directly related to the potential to expand the current extent of the mineralised zones through further exploration and where warranted to advance the exploration activities on other potential targets within the Nabanga Permit and the wider Nabanga Project Permits.

14 EXPLORATION PROPERTIES

14.1 Introduction

The following section includes discussion and comment on the Group's exploration strategy for investigating and developing both on-mine, near-mine and regional exploration properties. The Company is currently developing its next five-year strategic programme, and this is due for completion during Q4 2021. Accordingly, the focus in this section is on that forecasted for 2021 with respect to planned activities and expenditures currently underway. Furthermore, following the Semafo Acquisition and the Teranga Acquisition, the group is also as part of its 5-year planning process integrating and re-assessing its exploration focus given the significantly expanded land holding positions in West Africa.

14.2 Exploration Strategy

The Group's exploration strategy is largely focused of implementation of various strategic prioritisation criteria developed over the past 10 years. The focus is largely informed by a detailed screening and ranking methodology which includes:

- First Stage Filtering to include exhaustive screening of all potential targets (typically >200) with a view to establish an appropriate subset (+130) of targets based on multi-criteria data analysis;
- Second Stage Filtering through quantification of the potential range (minimum, maximum and mean) dimensions of target deposits with ranges informed from existing exploration and or nearby analogues leading to a further subset (approximately 40) of the most significant targets;
- Third Stage Analysis to establish risked-probability potential per target with a high, medium and low ranking;
- Fourth Stage development of exploration budgets based on detailed activities and timelines to develop annual expenditures for all key exploration activities and typically including: regolith mapping; soil geochemistry surveys; high resolution induced polarisation to generate resistivity maps; Versatile Time Domain Electromagnetic airborne surveys to generate chargeability maps; shallow auguring; and ultimately exploration drilling to target identified anomalies; and
- Fifth Stage strategic prioritisation with continual quarterly review of performance against budget to incorporate adjustment including reprioritisation as necessary.

Since 2015 the total drilled meters per annum, including DD, RC, AC/RC has increased from 176km and peaking in 2018 at 377km. For the 12-month period ended 2020 resulted in 273km of drilled meters. For 2021 the current exploration budget assumes a total of 500km 600km reflecting the necessary increases following the recent acquisitions and expanded land holding positions. During 2020 the principal focus was on the Grand Ity Project, the Côte d'Ivoire Regional Project, and the Houndé Gold Belt Project.

The current 5-year strategic plan incorporates a total target discovery ranging from 10Moz to 15Moz and by 2020 approximately 85% of this target had been met with 8.5Moz added to the Mineral Resource portfolio over this period. Furthermore, a review of the Group's exploration programme performance from 2016 through 2020 indicates as follows:

- Almost all selected targets drilled to date resulted in successful discoveries;
- All discoveries resulted in higher than expected ratios of Mineral Resources reporting to the Indicated category, 75% of discoveries reporting greater than 2g/tAu grades with oxide and fresh contributions reflecting 25% and 75% respectively with no 'refractory ores' present;

- Relatively short timelines from discovery to resource definition and reporting, with each of Bakatouo, Kari Pump and Le Plaque approximating 2 years and Fetekro 3 years; and
- Relatively low discovery cost per Indicated Mineral Resource estimated at approximately US$12/ozAu (capitalised costs per deposit).

The Group's exploration team comprises individuals who are directly responsible for in country exploration activities, the geology and mineral resource definition team and a suite of support and administrative staff all of which report to the executive vice president for Exploration and Growth.

14.3 Land Holding Position

As at 31 December 2020, the Group's overall land holding position extended over a total area of 17,877km^2 (Table 14-1) representing a total of 111 licenses and Permits. Of these 111 licences, 102 are active with the remaining 9 under review or pending approval of recent applications. The later licences comprise the Bantou AEP, the Nabanga AEP and various licences relating to Miminvest, Houndé Belt Exploration, Mana Exploration and Boromo Goren Exploration.

All of these are situated in West Africa with in-country distribution reflected as follows: Burkina Faso (49%); Côte d'Ivoire (32%); Senegal (9%); Mali (5%); Guinea (2%); and Niger (4%). The group's equity interest in the land holding positions are held via either wholly owned subsidiaries, entities in which the various states/government hold a minority interest and in joint venture arrangements with third parties. Approximately 9 of the licences/permits are either pending/expired.

Table 14-1: Group Land holding position

Mineral Assets	Country	Licences/Permits Total (No)	Equity (%)	Area Total (km^2)
Operating Properties				
Boungou Gold Mine	Burkina Faso	1	90.00	29.06
Houndé Gold Mine: HGO	Burkina Faso	1	90.00	23.20
Houndé Gold Mine: BDGO	Burkina Faso	1	90.00	5.37
Ity Gold Mine: SMI	Côte d'Ivoire	1	85.00	25.00
Ity Gold Mine: SMD	Côte d'Ivoire	1	85.00	13.20
Ity Gold Mine: SMF	Côte d'Ivoire	1	90.00	49.50
Karma Gold Mine	Burkina Faso	1	90.00	55.01
Mana Gold Mine	Burkina Faso	1	90.00	76.88
Sabodala-Massawa Gold Mine: SDGO	Republic of Senegal	1	90.00	291.20
Sabodala-Massawa Gold Mine: MGO	Republic of Senegal	1	90.00	320.20
Wahgnion Gold Mine	Burkina Faso	1	90.00	89.08
Subtotal		**11**		**977.70**
Development Properties				
Fetekro	Côte d'Ivoire	1	80.00	249.80
Kalana	Republic of Mali	1	80.00	387.00
Subtotal		**2**		**636.80**
Advanced Exploration Properties				
Golden Hill	Burkina Faso	3	100.00	467.98
Bantou	Burkina Faso	5	90.00/81.00	985.42
Nabanga	Burkina Faso	4	90.00	657.53
Subtotal		**12**		**2,110.93**
Exploration Properties				
Bransan	Republic of Senegal	3	93.29	337.87
Sounkounkou	Republic of Senegal	1	100.00	291.70
Massawa	Republic of Senegal	1	100.00	286.10
Afema	Côte d'Ivoire	4	100.00	1,404.20
Miminvest	Côte d'Ivoire	3	100.00	1,171.70
Wahgnion	Burkina Faso	5	100.00	920.02
Houndé Belt Exploration	Burkina Faso	11	100.00	1,095.55
Mana Exploration	Burkina Faso	7	100.00	994.72
Sarama JV	Burkina Faso	5	80.86	680.84
Boromo Goren Exploration	Burkina Faso	13	100.00	1,574.86
Diapaga Belt Exploration	Burkina Faso	5	100.00	792.57
Banfora Belt Exploration	Burkina Faso	2	100.00	256.36
East Côte d'ivoire Belt	Côte d'Ivoire	2	100.00	700.00
LMCI Exploration	Côte d'Ivoire	7	100.00	1,701.15
MET CI Exploration	Côte d'Ivoire	3	100.00	493.91
Kofi Block Exploration	Republic of Mali	4	100.00	280.97
Bluebird Exploration	Republic of Mali	1	100.00	75.00
Kalana Exploration	Republic of Mali	2	100.00	120.80
Guinée Conakry	Guinea	5	100.00	280.32
Niger	Republic of the Niger	2	70.00	693.40
Subtotal		**86**		**14,152.04**
Total		**111**		**17,877.47**

14.4 Exploration Programme

The Group's planned exploration programme as reflected in its latest guidance (Table 14-2) indicates a range of expenditures from US$70m to US$90m with some US$56m of this being directly attributable to the existing Operating Properties of the Group. For the remaining Development Properties, Advanced Exploration Properties and other Exploration Properties a range of US$14m to US$34m has been reported.

Table 14-2: Group exploration guidance

Mineral Assets	2021 Guidance (US$m)
Operating Properties	
Boungou Gold Mine	7
Houndé Gold Mine	7
Ity Gold Mine	9
Karma Gold Mine	0
Mana Gold Mine	8
Sabodala Gold Mine	13
Wahgnion Gold Mine	12
Subtotal	**56**
Development Properties, Advanced Exploration Properties and Exploration Properties	
Estimated Range	**14 - 34**
Total	**70 - 90**

The key strategic focus for 2021 as reported by the Group comprises:

- In Côte d'Ivoire:
  - targeting new discoveries at the Greater Ity Project through extending Le Plaque and exploring nearby targets at Delta SE extension, Yopleu and South Floleu,
  - drilling around the main Ity deposits of Bakatouo and Walter now that the river diversions have been completed and drilling around the Mont Ity pit,
  - exploration of near mine targets at the Fetekro Development Property to expand the current Mineral Resource base,
  - exploration of the Boundoukou exploration property;
- In Burkina Faso, targeting near mine exploration to extend the operating lives of Mana and Boungou and further exploration to extend the Kari and Vindaloo deposits at Houndé Gold Mine and finally to upgrade Mineral Resources at Bantou and advancing the Tankoro targets at the Sarama JV; and
- In Senegal, targeting additional drilling to increase quality of resources at Sabodala/Massawa, including Massawa CZ, focusing on extending the non-refractory ore resources at Sofia North, Samina, Tina and Delya, and other underexplored near-mine or greenfield neighbouring targets.

Figure 14-1 (Burkina Faso), Figure 14-2 (Grand Ity), Figure 14-3 (Regional Côte d'Ivoire), Figure 14-4 (Sabodala) and Figure 14-5 (Wahgnion) present regional scale figures for a number of the Group's exploration projects.

At **Boungou Gold Mine** an exploration program of up to U$7.0m, totalling approximately 85,000m of drilling, has been planned for 2021, with the aim of identifying new near-mine resources. In Q1 2021, US$0.4m was spent, comprising 7,000m of drilling on several near mine targets. Exploration efforts will continue to ramp up in Q2-2021, focused on delineating these near mine targets.

At **Houndé Gold Mine** an exploration program of up to U$7.0m has been planned for 2021, comprised of approximately 47,000m of drilling. In Q1 2021, approximately U$2.0m was spent, comprised of 25,000m of drilling focused on Vindaloo South, Mambo and the intersection of Kari Gap and Kari Centre. For the remainder of the year, the exploration program will focus on following up on initial results at Vindaloo South, Mambo and the intersection of Kari Gap and Kari Centre as well as reconnaissance drilling at Dafra T3, Marzipan, Kari Deep and Vindaloo Deep targets.

At **Ity Gold Mine** an exploration program of US$9.0m is planned for 2021, drilling will focus on adding resources at Le Plaque, Flotouo (Verse Ouest), Daapleu SW, Walter, Bakatouo Deep and Greater Ity. Reconnaissance drilling will also test the South Floleu area and Daapleu deep targets. In Q1 2021, approximately US$4.0m was spent, comprising 29,000m of drilling focused on Flotouo, Yopleu-Legaleu, Le Plaque South (Delta Extension), Daapleu Deep and the intersection of Walter and Bakatouo.

At **Mana Gold Mine** an exploration program of up to US$8.0m has been planned for 2021, comprised of 44,000m of drilling, to focus on mine lease targets including Kona, Siou and Maoula and proximal mine lease targets including Fofina Sud. In Q1 2021, approximately US$2.5m was spent, comprising 35,000m of drilling focused on several targets, including Maoula and Deep Siou Underground, where drilling will continue during Q2 2021.

At **Sabodala-Massawa** exploration potential exists within 30km of the processing facility which includes the Sabodala License, the Massawa License, and additional exploration permits which respectively cover 291km^2, 320km^2 and 915km^2 (Figure 14-4). Over 36,000m were drilled in 2020 at Sabodala with activities significantly ramping up in 2021, specifically on the Massawa deposits, with a budget of US$13m for the year, representing the Group's largest focus.

During 2021, drilling will be concentrated on the Sofia deposit and the satellite deposits Samina, Tina and Delya. At Sofia North, drilling will be directed towards extending the non-refractory mineralisation and is included in a US$13.0m program. Samina, Tina and Delya have been subjected to limited shallow drilling to date and show potential for additional mineralisation at depth. Initial drill results at Samina demonstrate possible oxide mineralisation at depth, which will be tested during 2021. Tina is a target where some reconnaissance drilling has already been conducted earlier this year and is expected to be further drilled with the aim of adding new resources. A number of other prospects, located within the structural corridor between the Sabodala Sofia Shear Zone and the Main Transcurrent Shear Zone, will also be explored.

In Q1 2021, approximately US$2.0m was spent, comprised of over 20,000m of drilling. The majority of the drilling activity was focused on the Samina, Tina, Delya and other targets within the Massawa project area. During the remainder of 2021, drilling will be focused on extending the non-refractory ore resources at the Sofia North deposit and following up on positive reconnaissance drilling results at the satellite deposits Samina, Tina and Delya.

At Wahgnion Gold Mine exploration potential exists within the permitted mine license and five surrounding exploration permits, which respectively cover an area of 89km^2 and 920km^2, as shown in Figure 14-5 below. The 2021 exploration program (US$12.0m), will focus on the Nogbele North and Nogbele South deposits, targeting the down dip continuation of mineralised structures between the Nogbele open pits. Additionally, the north-northeast continuation of the Fourkoura deposit and the Hillside target will be tested for extensions. On the exploration permits, efforts will be focused on the newly discovered Nogbele and Samavogo deposits, and on the Kafina West and Korindougou targets.

In Q1 2021, approximately US$1.0m was spent, comprising approximately 4,000m of drilling focused on Nogbele and Fourkoura deposits. The exploration program will ramp up in Q2-2021 focusing on Nogbele North and South deposits and the Fourkoura target.

Figure 14-1: Burkina Faso permits and deposit locations

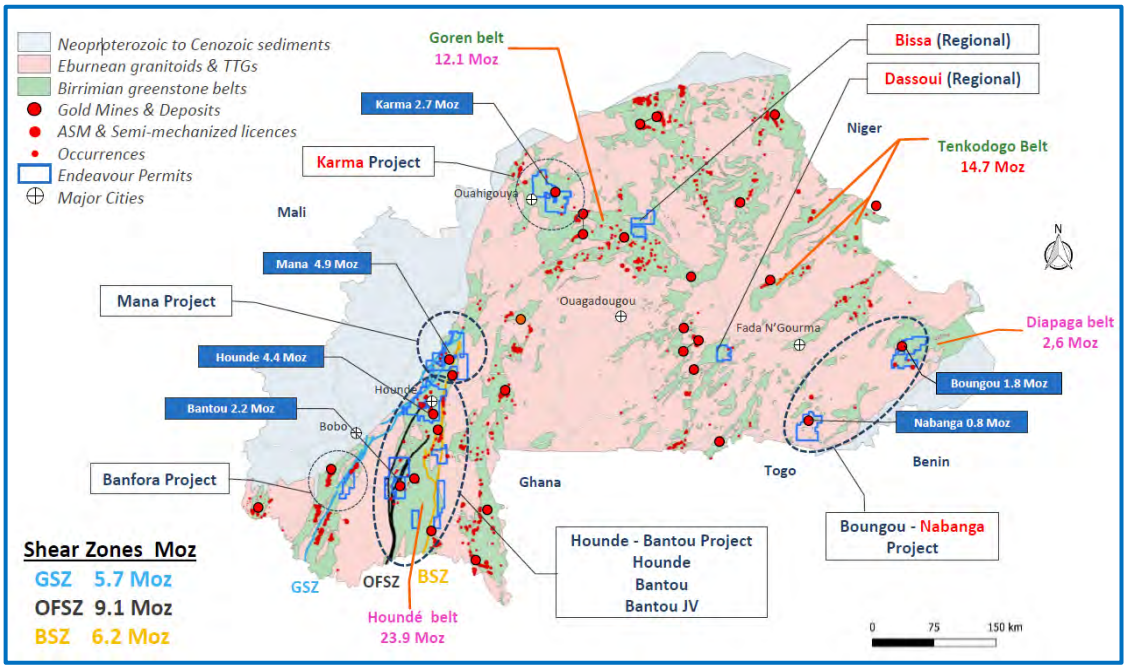


Figure 14-2: Grand Ity Project deposits and targets

Company	Permit Name	Permit Type	YTD (years)	Area sq Km
SMI	PE26	Mining	31	25
SMD	PE49	Mining	2.5	13
SMF	PE53	Mining	0.25	49
LMCI	PR462	Exploration	5.83	382
LMCI	PR558	Exploration	5.83	128
LMCI	PR605	Exploration	5.25	300
LMCI	PR608	Exploration	3.25	270
LMCI	PR609	Exploration	5.25	115

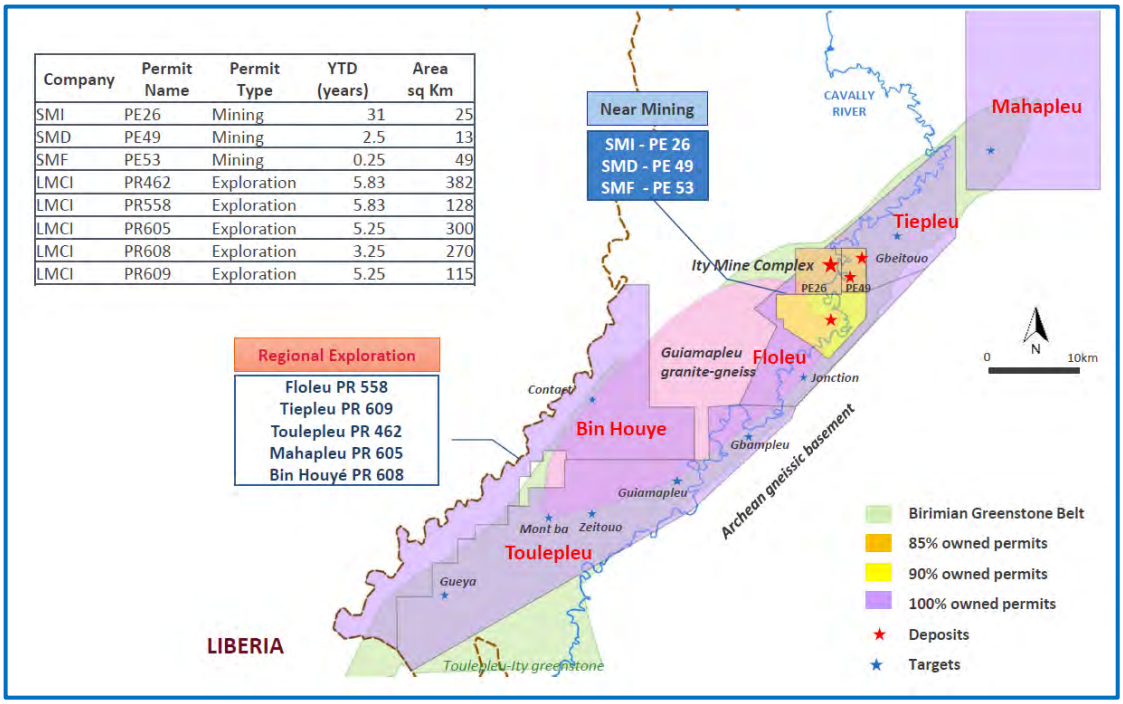


Figure 14-3: Regional Côte d'Ivoire deposits and targets

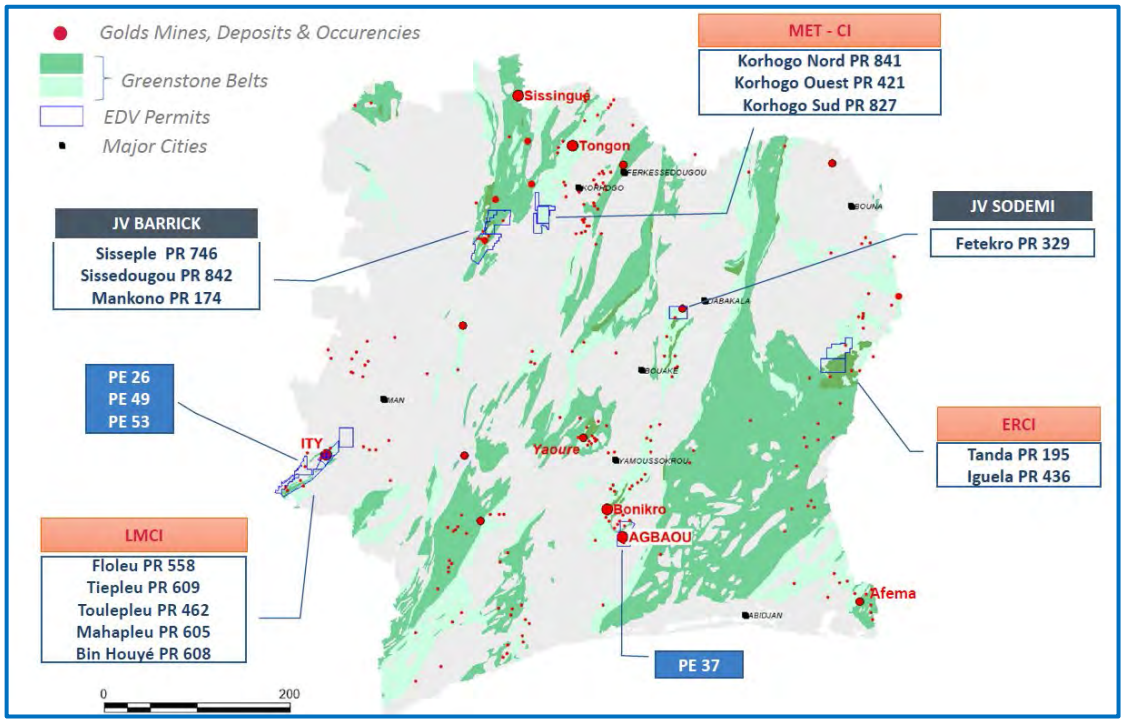


Figure 14-4: Sabodala-Massawa exploration targets

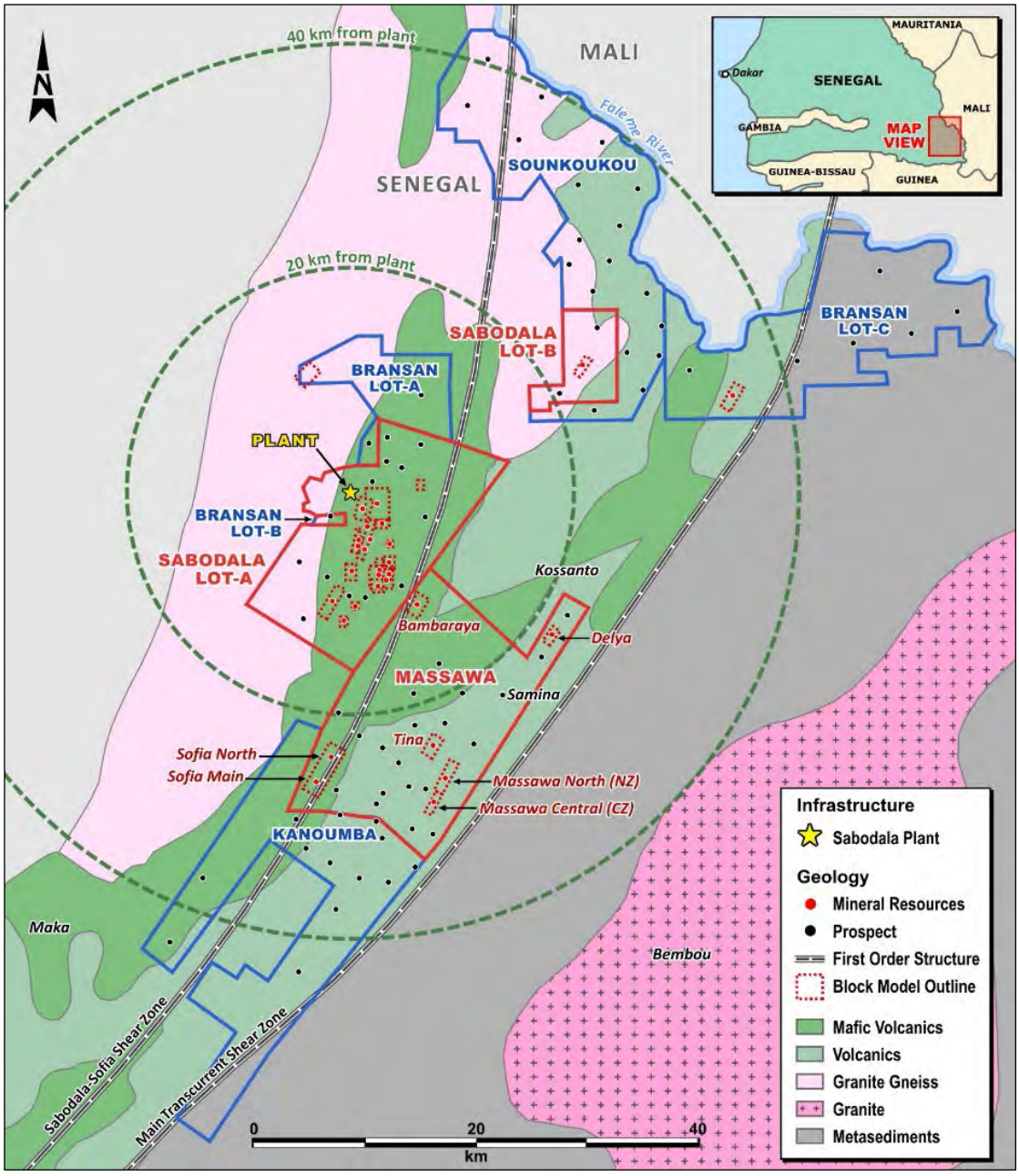
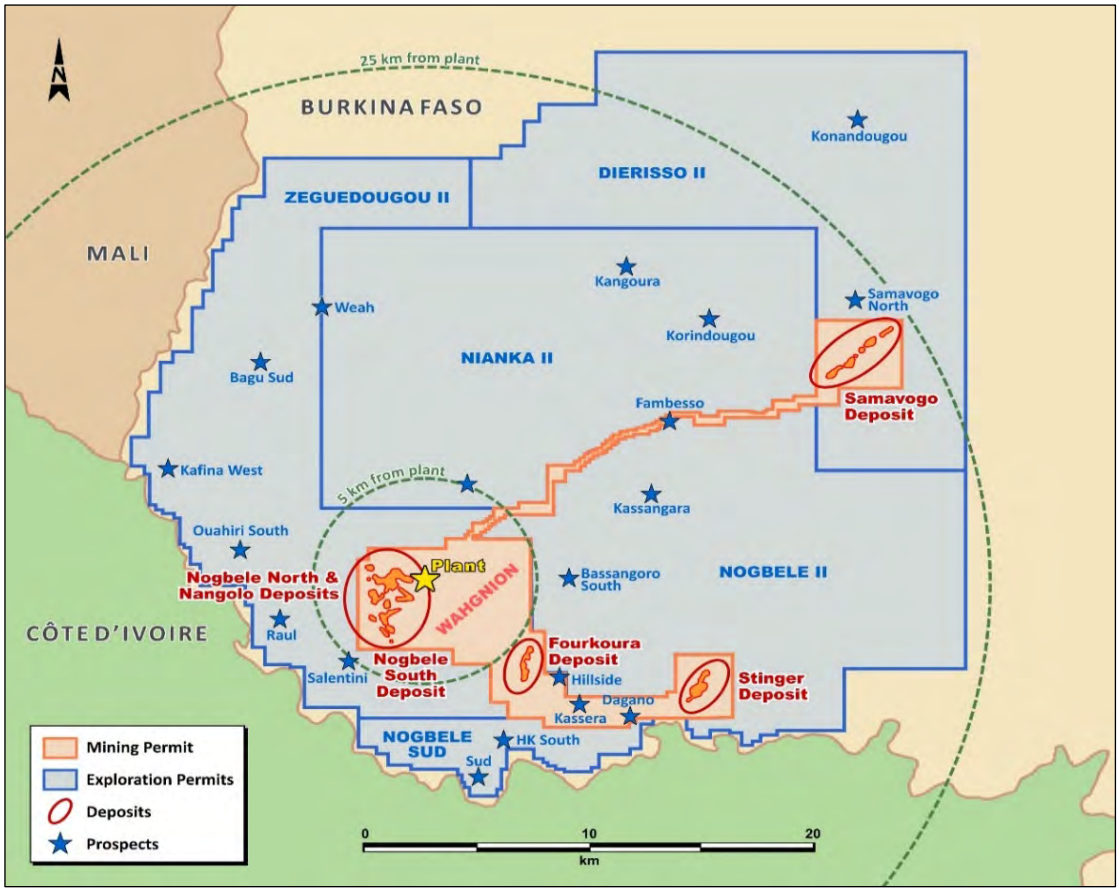


Figure 14-5: Wahgnion exploration targets



15 FINANCIAL MODELLING

15.1 Introduction

The following section includes discussion and comment on the Financial Modelling aspects of the Mineral Assets which has been specifically relied upon to assess and demonstrate the economic viability of the Ore Reserves as reported herein. The annual projections are based on the technical and economic input parameters as reported in each of the underlying technical sections in this CPR for the Operating Properties (Boungou Gold Mine; Houndé Gold Mine; Ity Gold Mine; Karma Gold Mine; Mana Gold Mine; Sabodala-Massawa Gold Mine; Wahgnion Gold Mine) and the Development Properties (Fetekro Development property and Kalana Development Property). The LoMps as reported herein are limited to the Ore Reserves as reported by the Group and do not consider potential extensions to the LoMps based on inclusion of Mineral Resources which presently report outside of the current mine designs which support the Ore Reserves as reported in the 2020 Statements. Accordingly, the post-tax pre-finance cashflows, if subsequently subjected to a discount factor analysis would not be appropriate for assessing the net asset value of the Group in accordance with the Mineral Asset Valuation Standards as reported in Section 1.2.2 of this CPR.

15.2 Financial Modelling Assumptions

The financial modelling assumptions as reported herein incorporate the following key items:

- the technical and economic parameters comprising production, commodity sales, operating expenditure and capital expenditures as reflected in each of the technical sections for the Operating Properties and Development Properties as reported in: Sections 4.11 (Boungou Gold Mine); Section 5.11 (Houndé Gold Mine); Section 6.11 (Ity Gold Mine); Section 7.11 (Karma Gold Mine); Section 8.11 (Mana Gold Mine); Section 9.11 (Sabodala-Massawa Gold Mine); Section 10.11 (Wahgnion Gold Mine); Section 11.10 (Fetekro Development Property); and Section 12.10 (Kalana Development Property);
- the CMF pricing assumptions as reflected in Table 2-9;
- the fiscal regime as reflected for each of the fiscal regimes in which the Mineral Assets are located including regulatory assumptions for: corporate income tax; withholding tax rates; Value Added Tax; thin capitalisation rules; depreciation allowances; carry forward losses; payments to foreign affiliates; transfer pricing; custom duties rates; tax treaties including tax holidays; closing balances for undepreciated plant property and equipment valuations as at 31 December 2020;
- working capital assumptions in respect of closing balances reported at 31 December 2020 for debtors, creditors and stores assumption and in conjunction the associated days relating to each of the working capital assumptions for each of the companies incorporated entities;
- Pipeline assumptions in respect of both gold in circuit and finished goods determinations for each of the Operating Properties and the Development properties;
- Closing balances in respect of Value Added Tax (net recoverable/irrecoverable) as at 31 December 2020;
- Closing balances in respect of tax losses as at 31 December 2020;
- Governmental and third-party related royalty agreements as reported for each of the Operating Properties and Development Properties as reported herein;
- Other sales revenue related determinations including social development funds as incorporated into the various development and concession agreements for each of the Mineral Assets; and

- Real terms forecast of all technical and economic parameters dated as of 1 January 2021.

The Group's current financial reporting of historical and forecast AISC does not incorporate either contributions to the current closure cost funds nor the projected closure costs associated with the various LoMps. Furthermore, the various Mining Conventions relating to each of the exploitation licences stipulate a requirement for annual contributions to a defined closure fund. The Group's corporate Financial Model does not expressly model the future contributions to the closure cost funds nor incorporate the related expenditures into its AISC reporting as stipulated by the current WGC guidelines. Accordingly, in order to maintain parity with the historical reporting process, the Company has requested SRK to expressly exclude the closure costs from the AISC determination. SRK understands that as part of the next planning cycle the Group will review the approach to modelling of closure fund contributions (historical and forecast) and LoMp closure costs in its corporate financial model and amend these as deemed appropriate.

15.2.1 Corporate and Regional Operating Expenditures

The Group's annual corporate operating expenditures is forecasted at US$40.0m per annum which is assumed to continue to 2027, thereafter assumed to reduce to US$20.0m per annum from 2028 through 2030 and to US$10.0m from 2031 through 2037. Historical expenditures reported for 2019 and 2020 are noted at US$20.6m and US$22.7m respectively. The Group's corporate expenditures are not included in the Financial Models as reported herein and as such should be incorporated when considering a valuation of the Group. The total corporate operating expenditures assumed to accompany the current Ore Reserve scenarios as reflected in the Financial Models total US$410.0m (Table 15-1).

The Group's regional operating expenditures are largely related to its services provided from the Group's offices in Abidjan and Dakar. Historical expenditures reported for 2020 are reported at US$22.6m and following the Teranga Acquisition the budgeted regional expenditures for 2021 is assumed at US$41.6m and thereafter assumed to reduce to US$35.0m in 2022 and continued through to 2027 and from 2028 reducing in line with the number of reduced operations to US$16.0m in 2029 through 2030 and thereafter remaining at US$6.0m through to 2033 and assumed to cease in 2034.

The regional operating expenditures are allocated to the operating properties in any given year based on the actual gold sales contribution to the Group. This assumption is incorporated in the various Financial Models for the Operating Properties and the Development Properties and assumed to be fully tax deductible within each locally incorporated structure. This is however not the case in practice at present and as such the corporate income tax as determined herein, under the various assumed operating projections, is to a relatively minor degree understated. SRK understands that the Group, may subsequent to the proposed restructuring, investigating the possibility of such expenditures being considered as tax deductible and as such reflecting the assumptions as presently reflected in the Financial Models as reported herein. The total regional operating expenditures assumed to accompany the current Ore Reserve scenarios as reflected in the Financial Models total US$323.6m (Table 15-6).

Table 15-1: Corporate and Regional General and Administration Expenditures (2021 through 2029)

Item	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Operating Expenditures											
Corporate G&A	(US$m)	410.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	20.00	20.00
Regional G&A	(US$m)	323.58	41.64	35.00	35.00	35.00	35.00	35.00	35.00	20.75	16.00
Total	**(US$m)**	**733.58**	**81.64**	**75.00**	**75.00**	**75.00**	**75.00**	**75.00**	**75.00**	**40.75**	**36.00**
Gold Sales											
Agbaou	(kozAu)	18	18	-	-	-	-	-	-	-	-
Boungou	(kozAu)	942	206	133	121	142	147	153	40	-	-
Houndé	(kozAu)	2,347	268	253	251	252	251	251	245	237	138
Ity CIL	(kozAu)	2,328	247	252	256	256	258	212	225	214	232

Item	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Karma	(kozAu)	129	67	62	-	-	-	-	-	-	-
Mana	(kozAu)	1,230	194	156	166	181	142	121	125	122	25
Sabodala/Massawa	(kozAu)	4,227	333	359	374	418	400	378	293	388	221
Wahgnion	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Fetekro	(kozAu)	2,018	-	-	-	205	205	240	209	240	240
Kalana	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Total	**(kozAu)**	**16,148**	**1,475**	**1,357**	**1,410**	**1,840**	**1,768**	**1,677**	**1,436**	**1,483**	**1,041**
Contribution											
Agbaou	(%)	0.1	1.3	-	-	-	-	-	-	-	-
Boungou	(%)	5.8	13.9	9.8	8.6	7.7	8.3	9.1	2.8	-	-
Houndé	(%)	14.5	18.1	18.7	17.8	13.7	14.2	14.9	17.0	16.0	13.2
Ity CIL	(%)	14.4	16.7	18.6	18.1	13.9	14.6	12.6	15.7	14.5	22.3
Karma	(%)	0.8	4.6	4.6	-	-	-	-	-	-	-
Mana	(%)	7.6	13.2	11.5	11.7	9.8	8.0	7.2	8.7	8.2	2.4
Sabodala/Massawa	(%)	26.2	22.6	26.4	26.5	22.7	22.6	22.5	20.4	26.1	21.2
Wahgnion	(%)	7.9	10.9	10.5	12.6	7.8	10.0	9.1	10.4	8.9	3.4
Fetekro	(%)	12.5	-	-	-	11.1	11.6	14.3	14.6	16.2	23.0
Kalana	(%)	10.2	-	-	4.6	13.2	10.7	10.2	10.4	10.1	14.4
Total	**(%)**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Regional Distribution											
Agbaou	(US$m)	0.52	0.52	-	-	-	-	-	-	-	-
Boungou	(US$m)	22.03	5.81	3.43	3.01	2.71	2.90	3.19	0.99	-	-
Houndé	(US$m)	49.96	7.55	6.53	6.23	4.80	4.96	5.23	5.96	3.31	2.11
Ity CIL	(US$m)	49.76	6.97	6.51	6.35	4.86	5.10	4.42	5.48	3.00	3.56
Karma	(US$m)	3.49	1.89	1.60	-	-	-	-	-	-	-
Mana	(US$m)	27.50	5.48	4.01	4.11	3.44	2.81	2.53	3.04	1.71	0.39
Sabodala/Massawa	(US$m)	77.41	9.39	9.25	9.28	7.95	7.92	7.88	7.13	5.43	3.40
Wahgnion	(US$m)	28.11	4.55	3.67	4.42	2.72	3.51	3.19	3.65	1.85	0.55
Fetekro	(US$m)	35.61	-	-	-	3.90	4.06	5.01	5.10	3.36	3.69
Kalana	(US$m)	29.70	-	-	1.61	4.62	3.74	3.57	3.65	2.10	2.30
Total	**(US$m)**	**323.58**	**41.64**	**35.00**	**35.00**	**35.00**	**35.00**	**35.00**	**35.00**	**20.75**	**16.00**

Table 15-2: Corporate and Regional General and Administration Expenditures (2030 through 2039)

Item	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Operating Expenditures											
Corporate G&A	(US$m)	20.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	-	-
Regional G&A	(US$m)	16.00	6.69	6.25	6.25	-	-	-	-	-	-
Total	**(US$m)**	**36.00**	**16.69**	**16.25**	**16.25**	**10.00**	**10.00**	**10.00**	**10.00**	**-**	**-**
Gold Sales											
Agbaou	(kozAu)	-	-	-	-	-	-	-	-	-	-
Boungou	(kozAu)	-	-	-	-	-	-	-	-	-	-
Houndé	(kozAu)	116	86	-	-	-	-	-	-	-	-
Ity CIL	(kozAu)	176	-	-	-	-	-	-	-	-	-
Karma	(kozAu)	-	-	-	-	-	-	-	-	-	-
Mana	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sabodala/Massawa	(kozAu)	147	197	143	120	176	131	96	55	-	-
Wahgnion	(kozAu)	-	-	-	-	-	-	-	-	-	-
Fetekro	(kozAu)	227	205	201	47	-	-	-	-	-	-
Kalana	(kozAu)	138	112	131	102	53	-	-	-	-	-
Total	**(kozAu)**	**805**	**600**	**475**	**269**	**230**	**131**	**96**	**55**	**-**	**-**
Contribution											
Agbaou	(%)	-	-	-	-	-	-	-	-	-	-
Boungou	(%)	-	-	-	-	-	-	-	-	-	-
Houndé	(%)	14.5	14.4	-	-	-	-	-	-	-	-
Ity CIL	(%)	21.9	-	-	-	-	-	-	-	-	-
Karma	(%)	-	-	-	-	-	-	-	-	-	-
Mana	(%)	-	-	-	-	-	-	-	-	-	-
Sabodala/Massawa	(%)	18.3	32.8	30.1	44.7	76.8	100.0	100.0	100.0	-	-
Wahgnion	(%)	-	-	-	-	-	-	-	-	-	-
Fetekro	(%)	28.2	34.1	42.3	17.3	-	-	-	-	-	-
Kalana	(%)	17.2	18.6	27.5	38.0	23.2	-	-	-	-	-
Total	**(%)**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**-**	**-**
Regional Distribution											
Agbaou	(US$m)	-	-	-	-	-	-	-	-	-	-
Boungou	(US$m)	-	-	-	-	-	-	-	-	-	-
Houndé	(US$m)	2.31	0.96	-	-	-	-	-	-	-	-
Ity CIL	(US$m)	3.51	-	-	-	-	-	-	-	-	-
Karma	(US$m)	-	-	-	-	-	-	-	-	-	-
Mana	(US$m)	-	-	-	-	-	-	-	-	-	-
Sabodala/Massawa	(US$m)	2.93	2.20	1.88	2.79	-	-	-	-	-	-
Wahgnion	(US$m)	-	-	-	-	-	-	-	-	-	-
Fetekro	(US$m)	4.50	2.28	2.64	1.08	-	-	-	-	-	-
Kalana	(US$m)	2.75	1.25	1.72	2.37	-	-	-	-	-	-
Total	**(US$m)**	**16.00**	**6.69**	**6.25**	**6.25**	**-**	**-**	**-**	**-**	**-**	**-**

In addition to the above corporate and regional expenditures the Group has also budgeted other expenditures relating to corporate activities and include the key items as noted in Table 15-3 below which totals US$197.0m expended in 2021. These include estimates for working capital movements, taxes, acquisition and restructuring costs, interests & Fees, share based payments, non-sustaining capital carried forward and other costs. No detailed estimates are available beyond 2021 and as such no additional other corporate expenditures are forecasted at this stage.

Table 15-3: Other corporate expenditures

Item	Units	2021
Total Other Corporate Expenditures	(US$m)	(197.02)

15.2.2 Exploration Expenditures

The groups planned exploration expenditures are not included in the underlying Financial Models for the Operating Properties and the Development Properties as reported herein. Table 14-2 reports the Group's planned exploration expenditures as reflected in its latest guidance which for 2021 projects a range of US$70m to US$90m.

15.2.3 State and Third-Party Royalties

Royalties – Burkina Faso

Pursuant to its mining convention with the Government of Burkina Faso and local legislation, the Group is to pay the state a 3% to 5% royalty, on a sliding scale based on prevailing gold prices: all shipments with gold spot prices lower or equal to US$1,000/oz are subject to a royalty rate of 3%; a 4% rate is applied to all shipments with gold spot prices between US$1,000/oz and US$1,300/oz; and a 5% royalty rate is applied on all shipments with a gold spot price greater than US$1,300/oz.

Other non-revenue related payments include:

- At Boungou Gold Mine payments to a social development fund based on 1.00% of sales revenue;
- At Houndé Gold Mine:
  - payments to a social development fund based on 1.00% of sales revenue,
  - production from Houndé Gold Mine is also subject to a 2% net smelter return royalty in favour of Sandstorm;
- At Karma Gold Mine:
  - payments to a social development fund based on 1.00% of sales revenue,
  - payment to Liberty Royalty of US$2.0m in 2021 and US$1.7m in 2022,
  - payments relating to the Rambo royalty of US$0.3m in 2021;
- At Mana Gold Mine payments to a social development fund based on 1.00% of sales revenue;
- At Wahgnion Gold Mine:
  - all gold production is subject to a 1% net smelter return ("**NSR**": net of government royalties, taxes and excise duties) which is payable to a private third party, Sanembaore Sarl Pty Ltd,
  - payments to a social development fund based on 1.00% of sales revenue less realisation charges;

Royalties – Côte d'Ivoire

Pursuant to its mining convention with the Government of Côte d'Ivoire and local legislation, the Group is required to pay a royalty based on a sliding scale in accordance with the prevailing gold price: 3.00% to US$1,000/ozAu; 3.5% from US$1,000/ozAu to US$1,300/ozAu; 4.0% from 1,300/ozAu to US$1,600/ozAu; and 5.0% above US$1,600/oz.

Other non-revenue related payments include:

- At Ity Gold Mine payments to a social development fund based on 0.50% of sales revenue; and
- At Fetekro Development Property additional royalty of 0.50% relating to the Adamus royalty

agreement.

Royalties – Mali

Pursuant to its mining convention with the Government of Mali and local legislation, production from the Kalana Development Property is subject to a royalty of 3.00% and in addition a further stamp duty on exports of 0.60%.

Royalties - Senegal

Pursuant to its agreements with the Government of Senegal and local legislation, the Group is to pay the state a 5% royalty on all sales. At the Sabodala-Massawa Gold Mine the Group is also committed to various other revenue/production related payments comprising:

- The 2020 Massawa Mining Convention requires the payment of at least US$150k per year during the construction phase and 0.5% of turnover (excluding tax) per year during the operating phase for social development projects. The Massawa Convention also requires contributions to institutional support, including US$150k per year during the construction phase and US$250k per year during the operations phase;
- Pursuant to the completion of the acquisition of Massawa, SGO was required to make an initial payment totalling US$15m related to the waiver of the right for the GoS to acquire an additional equity interest in the exploitation of the Massawa deposits (the "**Massawa Waiver**"). An additional payment will become due when the actual cumulative production from the Massawa deposits, net of GoS royalties, multiplied by SGO's weighted average gold prices and by 1%, exceeds the initial payment; and
- On October 4, 2013, Teranga completed the acquisition of Oromin Explorations Ltd. (Oromin) which held a 43.5% participating interest in a joint venture, the Oromin Joint Venture Group ("**OJVG**"). The OJVG held a 90% interest, along with 10% held by the government of Senegal, in a 212.6km^2 mining concession contiguous with the Sabodala Mining License awarded to the OJVG through the same bid process announced in October 2004. In accordance with various agreements relating to the OJVG, the Sabodala-Massawa Gold Mine is subject to additional payments pertaining to the OJVG, hereinafter the "**OJVG Waiver**" whereby recovered gold (88.03%) from the Masato, Golouma West, Kerekounda, Maki Medina, Niakafiri SE (17%) and Goumbati West are subject to a 1% payment of post government (95%) royalty ounces.

15.2.4 Gold Streams

Karma Gold Mine

The Group was obligated to deliver 100kozAu (20kozAu per annum) to Franco-Nevada Corporation and Sandstorm Gold Inc. (together the "**Syndicate**") over a five-year period in exchange for 20% of the spot price of gold for each ounce of gold delivered (the "**Ongoing Payment**"). The amount that was previously advanced for this agreement of US$100.0m is reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment.

The Group delivered an additional 7,500 ounces of gold between July 2017 and April 2019 in exchange for an additional deposit of US$5.0m received in 2017. The Group assumed the gold stream when it acquired the Karma Gold Mine on 26 April 2016. Gold ounces sold to the Syndicate under the stream agreement are recognized as revenue only on the actual proceeds received, which per the agreement is 20% of the spot gold price.

This component of the gold stream has now been successfully closed out, though following the five-year period, which commenced on 31 March 2016, the Group is committed to deliver

refined gold equal to 6.5% of the gold production at the Karma Gold Mine for the life of the mine in exchange for ongoing payments.

Sabodala-Massawa Gold Mine

On 25 September 2020, the Group and Franco-Nevada Corporation ("**Franco-Nevada**") finalized an amendment to the gold stream arrangement (the "**Stream Agreement**"), in which the Group will deliver 783oz of gold per month beginning 1 September 2020 until 105,750oz of gold have been delivered to Franco-Nevada (the "**Fixed Delivery Period**") in exchange for 20% of the spot price of gold for each ounce of gold delivered. At the end of the Fixed Delivery Period, any difference between total gold ounces delivered during the Fixed Delivery Period and 6% of production from the Company's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Company is required to deliver 6% of production from the Company's existing properties in Senegal (excluding Massawa). The current Financial Model projects delivery of a total of 144,661oz of gold at a total cost of US$170.3m which is not included in the TEPs as presented in this CPR but is included in the Financial Modelling as reported herein.

15.2.5 Other Modelling Assumptions

Table 15-4 includes a summary of the key additional modelling assumptions required to develop the Financial Models as reported herein. In respect of the items included therein, the following aspects are relevant when applying these to the forecast technical and economic parameters to establish the post-tax pre-finance cashflows as reported in Section 15.4:

- The gold in circuit determinations are not aligned with that reported for each of the process plants and as such neither do, they include the finished goods assessments reported as at 31 December 2020. The corporate model however accounts for these in different aspects and as such these variances are incorporated in the inventory movement adjustments as reported win the cashflow models;
- Various fiscal assumptions reflect a combination of the in-country legislation and the terms as incorporated into the various mining conventions for each of the Mineral Assets;
- Details relating to both state royalties and third-party royalties are included in Section 15.2.3;
- Details relating to gold streams currently in force are included in Section 15.2.4;
- The current corporate structure for Houndé Gold Mine incorporates two sub-ordinate structures, namely HGO and BDGO. In respect of HGO the corporate income tax is 17.5% and for BDGO is 27.5%. A management fee is payable to HGO charged on the basis of 20% of the mining and operating expenditures incurred at BDGO for services supplied by HGO. All capital expenditures are allocated as 60% to HGO and the remainder to BDGO. Accordingly, the determination of the total CIT payable for Houndé Gold Mine requires explicit modelling of the production, sales revenue, operating expenditure and capital expenditures for HGO and BDGO separately. The Financial Modelling for Houndé Gold Mine as reported herein reflects the results of these detailed determinations; and
- The current corporate structure for Ity Gold Mine incorporates three parallel structures namely, SMI, SMD and SMF with specific deposits held under each of the relevant structures as reported in Section 6.2 of this CPR. The Ity CIL Plant is an asset of SMI and as such provides various services to the other operating entities. Provision of these services is completed under a transfer fee arrangement where these are marked up at 5%. Accordingly, the determination of CIT requires explicit modelling of the production, sales revenue, operating expenditure and capital expenditures for these entities separately. The Financial Modelling for Ity Gold Mine as reported herein reflects the results of these detailed

determinations.

Table 15-4: Financial Model assumptions

Financial Model Assumption	Units	Boungou	Houndé	Ity	Karma	Mana	Sabodala-Massawa	Wahgnion	Fetekro	Kalana
Ownership										
Group	(%)	90.0	90.0	85.0	90.0	90.0	90.0	90.0	90.0	80.0
Government	(%)	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	20.0
Commercial Partner	(%)	n/a	n/a	5.0	n/a	n/a	n/a	n/a	n/a	n/a
Sales										
Payability	(%)	99.93	99.95	99.90	99.95	99.95	99.95	100.00	99.95	100.00
Revenue Based Payments										
Royalties										
Range 1	(%)	3.00	3.00	3.00	3.00	3.00	5.00	3.00	3.00	3.00
Range 2	(%)	4.00	4.00	3.50	4.00	4.00	5.00	4.00	3.50	3.00
Range 3	(%)	5.00	5.00	4.00	5.00	5.00	5.00	5.00	4.00	3.00
Range 4	(%)			5.00			5.00		5.00	3.00
Other										
Sandstorm	(%)	0	2.00	-	-	-	-	-	-	-
Sanembaore	(%)	0	-	-	-	-	-	1.00	-	-
Social Development Fund	(%)	1.00	1.00	0.50	1.00	1.00	0.50	1.00	0.50	-
Social Fund Payment	(US$m)						15.00			
Working Capital										
Opening Balances										
Consumables inventory	(US$m)	19.33	19.54	15.63	9.58	30.59	60.35	23.46	-	-
Ore Stockpile	(US$m)	8.03	18.93	37.67	2.05	2.82	2.91	5.17	-	-
Gold in circuit	(US$m)	6.33	3.81	2.53	20.56	5.28	-	-	-	-
Finished Goods	(US$m)	-	-	-	-	-	0.86	3.04	-	-
Accounts receivable	(US$m)	0.09	15.27	0.53	4.22	7.07	9.36	23.39	-	-
Other amounts receivable	(US$m)	-	-	-	0.10	-	-	-	-	-
VAT	(US$m)	0.11	0.62	-	0.72	1.35	-	1.78	-	-
Deposits & Prepaid Expenses	(US$m)	8.51	3.66	5.92	0.71	10.34	6.88	1.19	-	-
Accounts Payable & Accrued Liabilities	(US$m)	(33.09)	(47.40)	(53.76)	(22.44)	(65.68)	(62.47)	(34.96)	-	-
Total	**(US$m)**	**9.31**	**14.42**	**8.53**	**15.49**	**(8.23)**	**17.89**	**23.08**	**-**	**-**
Depreciation										
PP&E	(US$m)	87.0	258.0	416.0	110.0	122.0	367.0	295.0	-	10.0
Depreciable Allowance	(%)	25.0	n/a	n/a	20.0	20.0	20.0	25.0	20.0	20.0
Depreciation (Non-Sustaining)	(%)	n/a	20.0	10.0	n/a	n/a	n/a	n/a	n/a	n/a
Depreciation (Sustaining)	(%)	n/a	20.0	20.0	n/a	n/a	n/a	n/a	n/a	n/a
Taxation										
CIT	(%)	27.50	17.50	25.00	17.50	17.50	25.00	17.50	25.00	35.00
Minimum Corporate Tax Rate	(%)	-	-	-	-	-	-	-	-	1.00
Tax Loss Carry-Forward Mechanism	(status)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Tax Loss Expiry	(years)	3.0	3.0	3.0	4.0	3.0	3.0	4.0	3.0	-
Accrued Income Tax Payable	(US$m)	-	-	-	-	-	-	-	-	-
Tax Losses Brought Forward	(US$m)	-	-	-	-	-	-	-	-	-
Withholding Tax Rate - Shareholder Div.	(%)	6.25	6.50	15.00	6.25	6.25	6.25	6.25	15.00	-
Other										
Management Fee to Group	(US$mpa)	-	-	1.9	-	-	-	3.5	-	-
SMD Transfer Fee Mark-Up	(%)	-	-	5.00	-	-	-	-	-	-

15.2.6 Other Valuation Considerations

This CPR neither includes a valuation of the Mineral Assets or the Group as at 1 January 2021. In addition to the expenditures referenced above, specifically those note included in the Financial Models as reported herein the Group's additional assets and liabilities comprise:

- The drawn amount of the Revolving Credit Facility ("**RCF**") of US$310.0m;
- IFRS 16 Leases of US$37.2m;
- Outstanding Bond of US$330,0m; and
- Cash Balance of US$645.0m.

15.3 Financial Modelling Analysis – LoMp summary cashflow analysis

Table 15-5 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Producing Properties (also known as the Operations). The resulting analysis indicates the following key outcomes:

- Total sales comprising 12.5Moz of gold resulting in total sales revenue of US$18.8bn and an average gold price of US$1,505/oz;
- Projected EBITDA of US$9.0bn;
- Corporate Income Taxation of US$1.4bn;
- Capital Expenditure of US$2.6bn comprising: growth and non-sustaining capital of US$0.8bn; sustaining capital expenditure of US$0.8bn; capitalised waste of US$0.8bn; environmental closure of US$0.3bn; and working capital adjustments of positive US$80.5m;

- Free Cashflow of US$5.0bn; and
- AISC of US$877/oz, AIC of US$975/oz and total costs of US$1,081/oz.

Table 15-5: Summary LoMp TEPs and cashflow assessment for the Operating Properties

Statistic	Units	Boungou	Houndé	Ity	Karma	Mana	Sab-Mas.	Wahgnion	Operations
Production									
Mined	(kt)	141,138	409,974	241,657	34,443	40,297	436,230	265,704	1,569,443
Waste	(kt)	133,059	365,732	194,168	29,281	26,208	367,082	240,198	1,355,727
Ore	(kt)	8,080	44,242	47,490	5,162	14,089	69,148	25,506	213,716
	(g/tAu)	3.71	1.76	1.69	0.93	3.10	2.06	1.64	1.97
	(kozAu)	964	2,499	2,585	154	1,406	4,587	1,343	13,538
Stripping Ratio	(t_{waste}:t_{ore})	16.5	8.3	4.1	5.7	1.9	5.3	9.4	6.3
Ore Processed	(kt)	8,557	46,287	53,887	5,482	14,225	77,365	26,425	232,228
	(g/tAu)	3.65	1.74	1.58	0.90	3.10	1.93	1.61	1.88
	(kozAu)	1,004	2,584	2,745	158	1,418	4,796	1,367	14,072
Recovery	(%)	93.9	90.9	84.6	81.7	86.8	88.2	93.1	88.6
Production	(kozAu)	943	2,348	2,321	129	1,231	4,229	1,272	12,474
Poured	(kozAu)	943	2,348	2,321	129	1,231	4,229	1,272	12,473
Commodity Prices									
Gold	(US$/oz)	1,546	1,503	1,501	1,663	1,525	1,486	1,512	1,505
Sales									
Gold	(kozAu)	942	2,347	2,328	129	1,230	4,227	1,272	12,475
Sales Revenue									
Gold	(US$m)	1,455.95	3,527.19	3,494.25	214.57	1,875.99	6,278.88	1,924.51	18,771.36
Operating Expenditure									
Mining	(US$m)	(266.22)	(794.16)	(836.11)	(48.46)	(714.09)	(1,345.09)	(644.74)	(4,648.87)
Processing	(US$m)	(252.37)	(564.27)	(681.86)	(42.24)	(287.71)	(969.87)	(318.03)	(3,116.34)
SG&A	(US$m)	(121.64)	(243.93)	(194.49)	(17.49)	(96.60)	(278.25)	(115.20)	(1,067.59)
CG&A	(US$m)	(22.00)	(49.90)	(49.69)	(3.41)	(27.45)	(77.58)	(28.03)	(258.07)
Royalty	(US$m)	(72.80)	(246.90)	(144.04)	(14.72)	(93.80)	(314.15)	(114.28)	(1,000.69)
SDF	(US$m)	(14.56)	(35.27)	(17.47)	(2.15)	(18.76)	(33.37)	(19.21)	(140.78)
Realisation	(US$m)	(2.84)	(7.87)	(5.80)	(0.30)	(3.71)	(12.69)	(3.82)	(37.02)
Capitalised Waste	(US$m)	107.90	215.87	114.70	12.33	23.00	240.71	87.17	801.69
Inventory Movement	(US$m)	(17.73)	(22.56)	(40.20)	(22.61)	(8.10)	(3.77)	(8.21)	(123.18)
Gold Stream Cost	(US$m)	-	-	-	(14.72)	-	(170.27)	-	(184.99)
Total	**(US$m)**	**(662.25)**	**(1,748.98)**	**(1,854.95)**	**(153.76)**	**(1,227.22)**	**(2,964.32)**	**(1,164.35)**	**(9,775.84)**
EBITDA	**(US$m)**	**793.70**	**1,778.20**	**1,639.30**	**60.81**	**648.77**	**3,314.56**	**760.17**	**8,995.52**
CIT	**(US$m)**	**(197.46)**	**(257.48)**	**(251.18)**	**(8.03)**	**(80.14)**	**(546.72)**	**(56.38)**	**(1,397.39)**
Capital Expenditure									
Growth and Non-Sustaining	(US$k)	(4.77)	(49.36)	(186.35)	(5.23)	(126.79)	(418.17)	(53.90)	(844.58)
Sustaining	(US$k)	(24.94)	(193.60)	(94.73)	(5.48)	(102.06)	(220.49)	(130.39)	(771.68)
Capitalised Waste	(US$k)	(107.90)	(215.87)	(114.70)	(12.33)	(23.00)	(240.71)	(87.17)	(801.69)
Environmental Closure	(US$k)	(20.42)	(56.58)	(42.22)	(25.11)	(33.86)	(71.66)	(27.25)	(277.10)
Working Capital	(US$k)	9.31	14.42	8.53	15.49	(8.23)	17.89	23.08	80.48
Total	**(US$k)**	**(148.72)**	**(500.99)**	**(429.48)**	**(32.66)**	**(293.93)**	**(933.15)**	**(275.64)**	**(2,614.57)**
Free Cashflow	**(US$k)**	**447.52**	**1,019.74**	**958.65**	**20.12**	**274.70**	**1,834.69**	**428.15**	**4,983.55**
Unit Costs									
Mining	(US$/$t_{mined}$)	1.89	1.94	3.46	1.41	17.72	3.08	2.43	2.96
Processing	(US$/$t_{proc}$)	29.49	12.19	12.65	7.70	20.23	12.54	12.04	13.42
SG&A	(US$/$t_{proc}$)	14.22	5.27	3.61	3.19	6.79	3.60	4.36	4.60
CG&A	(US$/$t_{proc}$)	2.57	1.08	0.92	0.62	1.93	1.00	1.06	1.11
Direct Site Costs	(US$/$t_{proc}$)	74.82	34.62	31.78	19.74	77.21	33.52	40.79	38.04
Refining, Transport, BP	(US$/oz)	3.01	3.35	2.49	2.33	3.01	3.00	3.00	2.97
Royalty + SDF	(%)	6.00	8.00	4.62	7.86	6.00	5.53	6.94	6.08
AOC	(US$/oz)	684	736	780	902	991	660	909	759
AISC	**(US$/oz)**	**790**	**916**	**868**	**1,180**	**1,080**	**752**	**1,079**	**877**
AIC	(US$/oz)	852	955	968	1,275	1,223	885	1,143	975
Total Costs	**(US$/oz)**	**1,052**	**1,059**	**1,072**	**1,218**	**1,295**	**1,010**	**1,170**	**1,081**

Table 15-6 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of all Mineral Assets including the Operating Properties and the Development Properties. The resulting analysis indicates the following key outcomes:

- Total sales comprising 16.1Moz of gold resulting in total sales revenue of US$24.1bn and an average gold price of US$1,505/oz;
- Projected EBITDA of US$12.7bn;
- Corporate Income Taxation ("**CIT**") of US$1.8bn;
- Capital Expenditure of US$3.6bn comprising: growth and non-sustaining capital of US$1.5bn; sustaining capital expenditure of US$0.8bn; capitalised waste of US$1.0bn; environmental closure of US$0.4bn; and working capital adjustments of positive US$80.4m; and
- AISC of US$877/oz, AIC of US$998/oz and total costs of US$1,106/oz.

Table 15-6: Summary LoMp TEPs and cashflow assessment for the Operating Properties and the Development Properties

Statistic	Units	Operations	Fetekro	Kalana	Projects	Mineral Assets
Production						
Mined	(kt)	1,569,443	361,808	275,775	637,583	2,207,026
Waste	(kt)	1,355,727	329,832	240,179	570,011	1,925,738
Ore	(kt)	213,716	31,976	35,596	67,572	281,287
	(g/tAu)	1.97	2.07	1.60	1.82	1.94
	(kozAu)	13,538	2,133	1,829	3,961	17,500
Stripping Ratio	(t_{waste}:t_{ore})	6.3	10.3	6.7	8.4	6.8
Ore Processed	(kt)	232,228	31,976	35,596	67,572	299,800
	(g/tAu)	1.88	2.07	1.60	1.82	1.87
	(kozAu)	14,072	2,133	1,829	3,961	18,034
Recovery	(%)	88.6	94.7	90.5	92.7	89.5
Production	(kozAu)	12,474	2,019	1,655	3,673	16,147
Poured	(kozAu)	12,473	2,019	1,655	3,673	16,147
Commodity Prices						
Gold	(US$/oz)	1,505	1,437	1,445	1,505	1,505
Sales						
Gold	(kozAu)	12,475	2,018	1,655	3,672	16,148
Sales Revenue						
Gold	(US$m)	18,771.36	2,899.85	2,390.50	5,290.35	24,061.70
Operating Expenditure						
Mining	(US$m)	(4,648.87)	(1,023.35)	(746.53)	(1,769.89)	(6,418.75)
Processing	(US$m)	(3,116.34)	(294.95)	(472.68)	(767.63)	(3,883.97)
SG&A	(US$m)	(1,067.59)	(176.48)	(141.23)	(317.72)	(1,385.31)
CG&A	(US$m)	(258.07)	(35.45)	(29.57)	(65.02)	(323.09)
Royalty	(US$m)	(1,000.69)	(130.49)	(86.06)	(216.55)	(1,217.24)
SDF	(US$m)	(140.78)	-	-	-	(140.78)
Realisation	(US$m)	(37.02)	(6.06)	(4.96)	(11.02)	(48.04)
Capitalised Waste	(US$m)	801.69	133.61	66.70	200.31	1,001.99
Inventory Movement	(US$m)	(123.18)	(0.00)	-	(0.00)	(123.18)
Gold Stream Cost	(US$m)	(184.99)	-	-	-	(184.99)
Total	**(US$m)**	**(9,775.84)**	**(1,533.18)**	**(1,414.34)**	**(2,947.52)**	**(12,723.36)**
EBITDA	**(US$m)**	**8,995.52**	**1,366.67**	**976.15**	**2,342.83**	**11,338.34**
CIT	**(US$m)**	**(1,397.39)**	**(236.76)**	**(181.60)**	**(418.36)**	**(1,815.75)**
Capital Expenditure						
Growth and Non-Sustaining	(US$k)	(844.58)	(338.24)	(318.78)	(657.02)	(1,501.60)
Sustaining	(US$k)	(771.68)	(38.35)	(36.51)	(74.86)	(846.55)
Capitalised Waste	(US$k)	(801.69)	(134.02)	(66.70)	(200.72)	(1,002.40)
Environmental Closure	(US$k)	(277.10)	(44.00)	(35.00)	(79.00)	(356.10)
Working Capital	(US$k)	80.48	0.00	0.00	0.00	80.48
Total	**(US$k)**	**(2,614.57)**	**(554.62)**	**(456.98)**	**(1,011.60)**	**(3,626.17)**
Free Cashflow	**(US$k)**	**4,983.55**	**575.29**	**337.57**	**912.87**	**5,896.42**
Unit Costs						
Mining	(US$/$t_{mined}$)	2.96	2.83	2.71	2.78	2.91
Processing	(US$/$t_{proc}$)	13.42	9.22	13.28	11.36	12.96
SG&A	(US$/$t_{proc}$)	4.60	5.52	3.97	4.70	4.62
CG&A	(US$/$t_{proc}$)	1.11	1.11	0.83	0.96	1.08
Direct Site Costs	(US$/$t_{proc}$)	38.04	46.75	38.22	42.25	38.99
Refining, Transport, By-product	(US$/oz)	2.97	3.00	3.00	3.00	2.97
Royalty + SDF	(%)	6.08	4.50	3.60	4.09	5.64
AOC	(US$/oz)	759	760	855	803	769
AISC	**(US$/oz)**	**877**	**845**	**917**	**878**	**877**
AIC	(US$/oz)	975	1,035	1,131	1,078	998
Total Costs	**(US$/oz)**	**1,081**	**1,152**	**1,241**	**1,192**	**1,106**

15.4 Financial Modelling Analysis – LoMp cashflows

15.4.1 Operating Properties

Table 15-7 and Table 15-8 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Operating Properties (also known as the Operations which excludes the Development Properties).

Table 15-7: Summary Annual LoMp sales for the Operating Properties (2021 through 2029)

Operating Property	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Boungou	(kozAu)	942	206	133	121	142	147	153	40	-	-
Houndé	(kozAu)	2,347	268	253	251	252	251	251	245	237	138
Ity	(kozAu)	2,328	247	252	256	256	258	212	225	214	232
Karma	(kozAu)	129	67	62	-	-	-	-	-	-	-
Mana	(kozAu)	1,230	194	156	166	181	142	121	125	122	25
Sabodala-Massawa	(kozAu)	4,227	333	359	374	418	400	378	293	388	221
Wahgnion	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Total	**(kozAu)**	**12,475**	**1,475**	**1,357**	**1,345**	**1,392**	**1,374**	**1,266**	**1,077**	**1,093**	**652**

Table 15-8: Summary Annual LoMp sales for the Operating Properties (2030 through 2039)

Operating Property	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Boungou	(kozAu)	-	-	-	-	-	-	-	-	-	-
Houndé	(kozAu)	116	86	-	-	-	-	-	-	-	-
Ity	(kozAu)	176	-	-	-	-	-	-	-	-	-
Karma	(kozAu)	-	-	-	-	-	-	-	-	-	-
Mana	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sabodala-Massawa	(kozAu)	147	197	143	120	176	131	96	55	-	-

Operating Property	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Wahgnion	(kozAu)	-	-	-	-	-	-	-	-	-	-
Total	**(kozAu)**	**440**	**284**	**143**	**120**	**176**	**131**	**96**	**55**	**-**	**-**

Table 15-9 and Table 15-10 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Operating Properties (also known as the Operations which excludes the Development Properties).

Table 15-9: Summary Annual LoMp TEPs and cashflow assessment for the Operating Properties (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	1,569,443	206,160	180,395	188,935	186,041	181,294	171,364	146,752	114,561	66,068
Waste	(kt)	1,355,727	180,496	155,625	165,719	165,203	157,596	146,868	127,445	94,807	57,224
Ore	(kt)	213,716	25,664	24,770	23,216	20,838	23,698	24,496	19,308	19,754	8,844
	(g/tAu)	1.97	2.11	2.09	2.20	2.64	2.07	1.78	1.79	1.57	1.89
	(kozAu)	13,538	1,737	1,665	1,646	1,766	1,578	1,401	1,114	998	538
Stripping Ratio	(t_{waste}:t_{ore})	6.3	7.0	6.3	7.1	7.9	6.7	6.0	6.6	4.8	6.5
Ore Processed	(kt)	232,228	23,948	23,038	20,346	21,660	21,724	21,598	20,974	20,063	15,621
	(g/tAu)	1.88	2.17	2.04	2.28	2.25	2.22	2.09	1.82	1.92	1.51
	(kozAu)	14,072	1,668	1,513	1,488	1,568	1,554	1,454	1,229	1,238	758
Recovery	(%)	88.6	88.0	89.7	90.4	88.8	88.5	87.1	87.7	88.3	86.0
Production	(kozAu)	12,474	1,467	1,358	1,346	1,393	1,375	1,267	1,078	1,093	652
Poured	(kozAu)	12,473	1,468	1,357	1,346	1,393	1,376	1,267	1,078	1,094	651
Commodity Prices											
Gold	(US$/oz)	1,505	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	12,475	1,475	1,357	1,345	1,392	1,374	1,266	1,077	1,093	652
Sales Revenue											
Gold	(US$m)	18,771.4	2,552.4	2,157.4	2,098.4	2,059.9	1,992.6	1,810.9	1,540.5	1,562.8	931.7
Operating Expenditure											
Mining	(US$m)	(4,648.87)	(609.25)	(510.00)	(536.97)	(520.73)	(527.02)	(477.97)	(414.55)	(353.18)	(232.62)
Processing	(US$m)	(3,116.34)	(321.89)	(308.81)	(285.97)	(327.06)	(324.00)	(321.36)	(302.24)	(272.05)	(198.76)
SG&A	(US$m)	(1,067.59)	(132.67)	(119.76)	(104.96)	(106.97)	(108.17)	(107.23)	(100.20)	(71.24)	(65.26)
CG&A	(US$m)	(258.07)	(41.15)	(35.00)	(33.53)	(26.48)	(27.19)	(26.43)	(26.25)	(15.29)	(10.01)
Royalty	(US$m)	(1,000.69)	(142.01)	(115.71)	(111.36)	(108.66)	(105.57)	(96.74)	(82.82)	(83.62)	(47.68)
SDF	(US$m)	(140.78)	(20.29)	(16.53)	(16.06)	(15.55)	(14.35)	(12.82)	(11.11)	(9.79)	(4.90)
Realisation	(US$m)	(37.02)	(4.34)	(4.00)	(4.00)	(4.14)	(4.09)	(3.79)	(3.21)	(3.26)	(1.89)
Capitalised Waste	(US$m)	801.69	118.89	79.40	111.51	134.01	80.89	80.84	86.55	13.77	48.34
Inventory Movement	(US$m)	(123.18)	46.07	18.08	61.84	14.69	32.86	(0.47)	5.13	(82.41)	(32.89)
Gold Stream Cost	(US$m)	(184.99)	(21.52)	(17.07)	(11.73)	(11.12)	(10.90)	(10.75)	(10.75)	(10.75)	(10.75)
Total	**(US$m)**	**(9,775.84)**	**(1,128.14)**	**(1,029.40)**	**(931.23)**	**(972.02)**	**(1,007.55)**	**(976.70)**	**(859.44)**	**(887.81)**	**(556.42)**
EBITDA	**(US$m)**	**8,995.52**	**1,424.25**	**1,127.97**	**1,167.12**	**1,087.85**	**985.02**	**834.22**	**681.07**	**674.97**	**375.31**
CIT	**(US$m)**	**(1,397.39)**	**(180.39)**	**(222.75)**	**(172.68)**	**(151.73)**	**(143.83)**	**(125.95)**	**(121.29)**	**(85.69)**	**(82.20)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(844.58)	(189.84)	(199.56)	(132.46)	(62.81)	(45.02)	(30.02)	(42.80)	(42.54)	(28.05)
Sustaining	(US$m)	(771.68)	(71.23)	(137.72)	(119.35)	(67.54)	(85.56)	(118.39)	(71.92)	(33.81)	(26.14)
Capitalised Waste	(US$m)	(801.69)	(118.89)	(79.40)	(111.51)	(134.01)	(80.89)	(80.84)	(86.55)	(13.77)	(48.34)
Environmental Closure	(US$m)	(277.10)	(3.02)	(17.99)	(0.82)	(0.82)	(1.20)	(2.70)	(9.66)	(15.27)	(34.61)
Working Capital	(US$m)	80.48	(22.64)	(56.13)	(54.59)	(11.21)	(23.15)	(13.36)	(6.02)	68.34	37.53
Total	**(US$m)**	**(2,614.57)**	**(405.62)**	**(490.79)**	**(418.73)**	**(276.39)**	**(235.82)**	**(245.32)**	**(216.95)**	**(37.05)**	**(99.61)**
Free Cashflow	**(US$m)**	**4,983.55**	**838.24**	**414.44**	**575.72**	**659.73**	**605.36**	**462.96**	**342.84**	**552.23**	**193.51**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.96	2.96	2.83	2.84	2.80	2.91	2.79	2.82	3.08	3.52
Processing	(US$/$t_{proc}$)	13.42	13.44	13.40	14.06	15.10	14.91	14.88	14.41	13.56	12.72
SG&A	(US$/$t_{proc}$)	4.60	5.54	5.20	5.16	4.94	4.98	4.96	4.78	3.55	4.18
CG&A	(US$/$t_{proc}$)	1.11	1.72	1.52	1.65	1.22	1.25	1.22	1.25	0.76	0.64
Direct Site Costs	(US$/$t_{proc}$)	38.04	44.42	40.74	45.61	44.08	44.15	41.97	38.95	34.71	31.79
Refining, Transport, BP	(US$/oz)	2.97	2.94	2.95	2.97	2.98	2.97	2.99	2.98	2.98	2.90
Royalty + SDF	(%)	6.08	6.36	6.13	6.07	6.03	6.02	6.05	6.10	5.98	5.64
AOC	(US$/oz)	759	781	759	730	701	749	762	793	727	787
AISC	**(US$/oz)**	**877**	**846**	**877**	**849**	**810**	**839**	**920**	**907**	**846**	**879**
AIC	(US$/oz)	975	1,041	1,080	1,000	891	904	946	988	824	997
Total Costs	**(US$/oz)**	**1,081**	**1,178**	**1,285**	**1,169**	**1,009**	**1,025**	**1,056**	**1,107**	**839**	**1,066**

Table 15-10: Summary Annual LoMp TEPs and cashflow assessment for the Operating Properties (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	47,429	30,269	30,098	14,290	5,249	383	155	-	-	-
Waste	(kt)	40,852	22,801	26,812	11,822	2,456	-	-	-	-	-
Ore	(kt)	6,577	7,468	3,286	2,467	2,793	383	155	-	-	-
	(g/tAu)	1.46	1.23	1.29	1.22	1.86	5.52	4.76	-	-	-
	(kozAu)	308	295	136	97	167	68	24	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	6.2	3.1	8.2	4.8	0.9	-	-	-	-	-
Ore Processed	(kt)	12,387	7,296	4,244	4,230	4,223	4,011	4,022	2,842	-	-
	(g/tAu)	1.19	1.35	1.18	1.00	1.46	1.15	0.84	0.68	-	-
	(kozAu)	474	316	161	135	198	148	109	62	-	-
Recovery	(%)	92.8	89.9	89.1	88.8	88.9	88.5	88.0	88.0	-	-
Production	(kozAu)	440	284	143	120	176	131	96	55	-	-
Poured	(kozAu)	440	284	143	120	176	131	96	55	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	-	-
Sales											
Gold	(kozAu)	440	284	143	120	176	131	96	55	-	-
Sales Revenue											
Gold	(US$m)	629.1	405.5	204.8	171.8	252.0	186.9	136.8	78.1	-	-
Operating Expenditure											
Mining	(US$m)	(153.95)	(92.81)	(77.51)	(58.62)	(39.94)	(27.10)	(14.74)	(1.91)	-	-
Processing	(US$m)	(137.23)	(79.01)	(41.96)	(41.88)	(42.56)	(40.79)	(40.90)	(29.89)	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
SG&A	(US$m)	(53.03)	(33.11)	(17.00)	(14.00)	(12.00)	(10.00)	(8.00)	(4.00)	-	-
CG&A	(US$m)	(8.75)	(3.16)	(1.88)	(2.94)	-	-	-	-	-	-
Royalty	(US$m)	(32.26)	(22.75)	(10.24)	(8.59)	(12.60)	(9.34)	(6.84)	(3.90)	-	-
SDF	(US$m)	(2.98)	(1.27)	(0.03)	(0.03)	(0.01)	(0.02)	(0.02)	(0.02)	(15.00)	-
Realisation	(US$m)	(1.27)	(0.88)	(0.43)	(0.36)	(0.53)	(0.39)	(0.29)	(0.16)	-	-
Capitalised Waste	(US$m)	30.73	-	16.75	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(17.05)	(37.74)	7.28	(6.76)	(43.19)	(29.45)	(29.80)	(29.37)	-	-
Gold Stream Cost	(US$m)	(10.75)	(10.75)	(9.55)	(7.92)	(11.97)	(8.79)	(6.37)	(3.55)	-	-
Total	**(US$m)**	**(386.54)**	**(281.48)**	**(134.56)**	**(141.10)**	**(162.80)**	**(125.88)**	**(106.96)**	**(72.80)**	**(15.00)**	**-**
EBITDA	**(US$m)**	**242.55**	**124.00**	**70.25**	**30.71**	**89.17**	**61.01**	**29.79**	**5.25**	**(15.00)**	**-**
CIT	**(US$m)**	**(46.67)**	**(14.77)**	**(13.56)**	**(8.47)**	**(0.26)**	**(16.30)**	**(11.04)**	**(3.94)**	**0.36**	**3.75**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(18.80)	(10.58)	(8.55)	(18.19)	(10.39)	(4.13)	(0.86)	-	-	-
Sustaining	(US$m)	(17.92)	(7.59)	(3.14)	(2.83)	(2.52)	(2.24)	(2.21)	(1.57)	-	-
Capitalised Waste	(US$m)	(30.73)	-	(16.75)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(32.90)	(48.69)	(26.81)	(4.49)	(3.48)	(2.18)	(2.18)	(70.28)	-	-
Working Capital	(US$m)	10.72	12.48	(8.00)	8.00	41.58	31.45	31.37	31.42	2.71	-
Total	**(US$m)**	**(89.64)**	**(54.38)**	**(63.26)**	**(17.51)**	**25.19**	**22.90**	**26.13**	**(40.43)**	**2.71**	**-**
Free Cashflow	**(US$m)**	**106.24**	**54.85**	**(6.57)**	**4.73**	**114.10**	**67.62**	**44.88**	**(39.12)**	**(11.93)**	**3.75**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.25	3.07	2.58	4.10	7.61	70.82	95.22	-	-	-
Processing	(US$/$t_{proc}$)	11.08	10.83	9.89	9.90	10.08	10.17	10.17	10.52	-	-
SG&A	(US$/$t_{proc}$)	4.28	4.54	4.01	3.31	2.84	2.49	1.99	1.41	-	-
CG&A	(US$/$t_{proc}$)	0.71	0.43	0.44	0.69	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	27.79	28.09	32.16	27.06	22.38	19.42	15.82	12.59	-	-
Refining, Transport, BP	(US$/oz)	2.89	3.11	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Royalty + SDF	(%)	5.60	5.92	5.01	5.02	5.01	5.01	5.01	5.03	-	-
AOC	(US$/oz)	815	822	924	1,052	611	671	740	731	-	-
AISC	**(US$/oz)**	**965**	**982**	**1,012**	**1,132**	**870**	**913**	**1,075**	**1,298**	**-**	**-**
AIC	(US$/oz)	1,044	1,057	1,309	1,265	704	736	795	2,047	-	-
Total Costs	**(US$/oz)**	**1,125**	**1,066**	**1,460**	**1,268**	**469**	**620**	**582**	**1,544**	**-**	**-**

15.4.2 Boungou Gold Mine

Table 15-11 and Table 15-12 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Boungou Gold Mine.

Table 15-11: Summary Annual LoMp TEPs and cashflow assessment for the Boungou Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	141,138	28,788	24,454	31,040	25,507	20,707	10,643	-	-	-
Waste	(kt)	133,059	27,384	22,745	29,689	24,268	19,427	9,547	-	-	-
Ore	(kt)	8,080	1,404	1,710	1,352	1,239	1,280	1,095	-	-	-
	(g/tAu)	3.7	4.7	3.0	3.1	3.8	3.7	4.3	-	-	-
	(kozAu)	964	212	165	134	150	153	150	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	16.47	19.50	13.30	21.97	19.59	15.18	8.72	-	-	-
Ore Processed	(kt)	8,557	1,266	1,248	1,218	1,275	1,343	1,339	868	-	-
	(g/tAu)	3.65	5.32	3.54	3.31	3.70	3.62	3.77	1.63	-	-
	(kozAu)	1,004	216	142	130	152	156	163	45	-	-
Recovery	(%)	93.9	95.1	93.8	93.5	93.9	93.9	94.0	89.2	-	-
Production	(kozAu)	943	206	133	121	142	147	153	40	-	-
Poured	(kozAu)	943	206	133	121	142	147	153	40	-	-
Commodity Prices											
Gold	(US$/oz)	1,546	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	942	206	133	121	142	147	153	40	-	-
Sales Revenue											
Gold	(US$m)	1,455.95	355.92	211.58	189.15	210.67	212.44	218.32	57.87	-	-
Operating Expenditure											
Mining	(US$m)	(266.22)	(54.45)	(45.74)	(58.77)	(47.97)	(39.11)	(20.18)	-	-	-
Processing	(US$m)	(252.37)	(37.34)	(36.80)	(35.92)	(37.61)	(39.61)	(39.50)	(25.59)	-	-
SG&A	(US$m)	(121.64)	(20.95)	(17.16)	(16.64)	(17.64)	(18.82)	(18.76)	(11.67)	-	-
CG&A	(US$m)	(22.00)	(5.76)	(3.43)	(3.02)	(2.71)	(2.91)	(3.19)	(0.99)	-	-
Royalty	(US$m)	(72.80)	(17.80)	(10.58)	(9.46)	(10.53)	(10.62)	(10.92)	(2.89)	-	-
SDF	(US$m)	(14.56)	(3.56)	(2.12)	(1.89)	(2.11)	(2.12)	(2.18)	(0.58)	-	-
Realisation	(US$m)	(2.84)	(0.62)	(0.40)	(0.37)	(0.43)	(0.44)	(0.46)	(0.12)	-	-
Capitalised Waste	(US$m)	107.90	24.78	18.77	31.40	32.54	-	0.40	-	-	-
Inventory Movement	(US$m)	(17.73)	(9.39)	5.81	11.37	(5.13)	(4.92)	(15.49)	-	-	-
Total	**(US$m)**	**(662.25)**	**(125.08)**	**(91.65)**	**(83.28)**	**(91.59)**	**(118.55)**	**(110.26)**	**(41.84)**	**-**	**-**
EBITDA	**(US$m)**	**793.70**	**230.84**	**119.94**	**105.87**	**119.08**	**93.89**	**108.05**	**16.03**	**-**	**-**
CIT	**(US$m)**	**(197.46)**	**(38.01)**	**(55.58)**	**(23.34)**	**(17.55)**	**(20.32)**	**(18.66)**	**(23.90)**	**(0.11)**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(4.77)	(4.77)	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(24.94)	(5.77)	(1.81)	(4.26)	(1.85)	(4.95)	(5.03)	(1.26)	-	-
Capitalised Waste	(US$m)	(107.90)	(24.78)	(18.77)	(31.40)	(32.54)	-	(0.40)	-	-	-
Environmental Closure	(US$m)	(20.42)	-	-	-	-	(0.38)	(0.38)	(3.43)	(11.17)	(1.01)
Working Capital	(US$m)	9.31	8.59	(8.80)	(9.74)	4.35	4.52	12.64	(0.10)	(2.15)	-
Total	**(US$m)**	**(148.72)**	**(26.74)**	**(29.39)**	**(45.40)**	**(30.04)**	**(0.81)**	**6.82**	**(4.79)**	**(13.31)**	**(1.01)**
Free Cashflow	**(US$m)**	**447.52**	**166.09**	**34.98**	**37.13**	**71.49**	**72.76**	**96.21**	**(12.66)**	**(13.43)**	**(1.01)**
Unit Costs											
Mining	(US$/$t_{mined}$)	1.89	1.89	1.87	1.89	1.88	1.89	1.90	-	-	-
Processing	(US$/$t_{proc}$)	29.49	29.49	29.49	29.49	29.49	29.49	29.49	29.49	-	-
SG&A	(US$/$t_{proc}$)	14.22	16.55	13.75	13.66	13.83	14.01	14.01	13.45	-	-
CG&A	(US$/$t_{proc}$)	2.57	4.55	2.75	2.48	2.12	2.17	2.38	1.14	-	-
Direct Site Costs	(US$/$t_{proc}$)	74.82	89.04	79.90	91.41	80.94	72.62	58.56	42.94	-	-
Refining, Transport, BP	(US$/oz)	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	-	-
Royalty + SDF	(%)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	-	-
AOC	(US$/oz)	684	562	732	781	607	776	621	1,034	-	-
AISC	**(US$/oz)**	**790**	**667**	**750**	**981**	**743**	**843**	**758**	**1,065**	**-**	**-**
AIC	(US$/oz)	852	734	887	1,075	849	812	659	1,150	-	-

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total Costs	**(US$/oz)**	**1,052**	**877**	**1,371**	**1,348**	**942**	**920**	**698**	**1,743**	**-**	**-**

Table 15-12: Summary Annual LoMp TEPs and cashflow assessment for the Boungou Gold Mine (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Recovery	(%)	-	-	-	-	-	-	-	-	-	-
Production	(kozAu)	-	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	-	-	-	-	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	-	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
Royalty	(US$m)	-	-	-	-	-	-	-	-	-	-
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(1.01)	(1.01)	(1.01)	(1.01)	-	-	-	-	-	-
Working Capital	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(1.01)**	**(1.01)**	**(1.01)**	**(1.01)**	**-**	**-**	**-**	**-**	**-**	**-**
Free Cashflow	**(US$m)**	**(1.01)**	**(1.01)**	**(1.01)**	**(1.01)**	**-**	**-**	**-**	**-**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	-	-	-	-	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	-	-	-	-	-	-	-	-	-	-
Royalty + SDF	(%)	-	-	-	-	-	-	-	-	-	-
AOC	(US$/oz)	-	-	-	-	-	-	-	-	-	-
AISC	**(US$/oz)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	-	-	-	-	-	-	-	-	-	-
Total Costs	**(US$/oz)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

15.4.3 Houndé Gold Mine

Table 15-13 and Table 15-14 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Houndé Gold Mine.

Table 15-13: Summary Annual LoMp TEPs and cashflow assessment for the Houndé Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	409,974	43,380	48,347	52,391	54,846	54,439	57,305	49,931	41,173	8,161
Waste	(kt)	365,732	39,066	43,854	45,834	50,078	49,872	50,051	43,180	36,413	7,383
Ore	(kt)	44,242	4,314	4,493	6,557	4,768	4,567	7,254	6,751	4,759	778
	(g/tAu)	1.76	2.15	1.97	1.62	1.87	2.18	1.50	1.71	1.31	1.98
	(kozAu)	2,499	298	285	341	287	320	349	371	200	50
Stripping Ratio	(t_{waste}:t_{ore})	8.3	9.1	9.8	7.0	10.5	10.9	6.9	6.4	7.7	9.5
Ore Processed	(kt)	46,287	4,438	4,287	4,236	4,427	4,431	4,264	4,275	4,447	4,337
	(g/tAu)	1.74	2.02	2.02	2.01	1.95	2.01	2.03	1.93	1.83	1.09
	(kozAu)	2,584	289	278	274	278	287	279	265	262	152
Recovery	(%)	90.9	92.7	91.1	91.6	90.9	87.5	89.9	92.2	90.6	90.6
Production	(kozAu)	2,348	268	253	251	252	251	251	245	237	138
Poured	(kozAu)	2,348	268	253	251	252	251	251	245	237	138
Commodity Prices											
Gold	(US$/oz)	1,503	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	2,347	268	253	251	252	251	251	245	237	138
Sales Revenue											
Gold	(US$m)	3,527.19	462.80	402.50	391.25	373.21	363.49	358.42	349.95	338.71	196.73
Operating Expenditure											
Mining	(US$m)	(794.16)	(102.63)	(87.13)	(96.77)	(94.71)	(103.43)	(134.13)	(91.78)	(58.44)	(25.13)
Processing	(US$m)	(564.27)	(53.26)	(55.01)	(51.14)	(52.18)	(53.44)	(55.60)	(52.14)	(50.56)	(50.20)
SG&A	(US$m)	(243.93)	(23.39)	(22.59)	(22.32)	(23.33)	(23.35)	(22.47)	(22.53)	(23.44)	(22.86)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
CG&A	(US$m)	(49.90)	(7.42)	(6.56)	(6.29)	(4.80)	(4.92)	(5.23)	(5.96)	(3.32)	(2.12)
Royalty	(US$m)	(246.90)	(32.40)	(28.18)	(27.39)	(26.12)	(25.44)	(25.09)	(24.50)	(23.71)	(13.77)
SDF	(US$m)	(35.27)	(4.63)	(4.03)	(3.91)	(3.73)	(3.63)	(3.58)	(3.50)	(3.39)	(1.97)
Realisation	(US$m)	(7.87)	(0.90)	(0.85)	(0.84)	(0.85)	(0.84)	(0.84)	(0.82)	(0.79)	(0.46)
Capitalised Waste	(US$m)	215.87	24.23	27.02	36.65	27.82	36.96	34.64	22.19	6.37	-
Inventory Movement	(US$m)	(22.56)	6.67	(1.98)	22.68	7.71	20.39	29.86	7.43	(19.39)	(25.73)
Total	**(US$m)**	**(1,748.98)**	**(193.73)**	**(179.30)**	**(149.34)**	**(170.19)**	**(157.72)**	**(182.44)**	**(171.60)**	**(176.66)**	**(142.23)**
EBITDA	**(US$m)**	**1,778.20**	**269.07**	**223.20**	**241.91**	**203.03**	**205.78**	**175.98**	**178.35**	**162.05**	**54.49**
CIT	**(US$m)**	**(257.48)**	**(43.00)**	**(34.55)**	**(36.14)**	**(27.14)**	**(28.39)**	**(28.56)**	**(27.50)**	**(23.58)**	**(3.85)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(49.36)	(12.28)	-	(2.71)	(5.43)	(5.68)	(5.68)	(5.43)	(5.43)	(4.71)
Sustaining	(US$m)	(193.60)	(12.70)	(21.21)	(28.35)	(16.07)	(18.44)	(40.70)	(22.77)	(11.11)	(11.88)
Capitalised Waste	(US$m)	(215.87)	(24.23)	(27.02)	(36.65)	(27.82)	(36.96)	(34.64)	(22.19)	(6.37)	-
Environmental Closure	(US$m)	(56.58)	-	-	-	-	-	-	(1.20)	(1.20)	(1.68)
Working Capital	(US$m)	14.42	(8.46)	6.85	(18.41)	(5.45)	(17.37)	(30.96)	(13.62)	13.15	23.44
Total	**(US$m)**	**(500.99)**	**(57.67)**	**(41.38)**	**(86.13)**	**(54.77)**	**(78.46)**	**(111.99)**	**(65.21)**	**(10.96)**	**5.16**
Free Cashflow	**(US$m)**	**1,019.74**	**168.40**	**147.27**	**119.64**	**121.12**	**98.93**	**35.44**	**85.64**	**127.51**	**55.81**
Unit Costs											
Mining	(US$/$t_{mined}$)	1.94	2.37	1.80	1.85	1.73	1.90	2.34	1.84	1.42	3.08
Processing	(US$/$t_{proc}$)	12.19	12.00	12.83	12.07	11.79	12.06	13.04	12.20	11.37	11.57
SG&A	(US$/$t_{proc}$)	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27	5.27
CG&A	(US$/$t_{proc}$)	1.08	1.67	1.53	1.48	1.08	1.11	1.23	1.39	0.75	0.49
Direct Site Costs	(US$/$t_{proc}$)	34.62	40.40	38.43	40.19	38.45	40.67	49.77	38.93	29.78	22.64
Refining, Transport, BP	(US$/oz)	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Royalty + SDF	(%)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
AOC	(US$/oz)	736	749	700	686	705	710	847	732	664	847
AISC	**(US$/oz)**	**916**	**862**	**860**	**855**	**849**	**850**	**1,028**	**885**	**820**	**1,120**
AIC	(US$/oz)	955	933	891	956	901	954	1,170	942	766	980
Total Costs	**(US$/oz)**	**1,059**	**1,125**	**1,000**	**1,173**	**1,030**	**1,137**	**1,408**	**1,110**	**810**	**837**

Table 15-14: Summary Annual LoMp TEPs and cashflow assessment for the Houndé Gold Mine (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	4,088	3,057	-	-	-	-	-	-	-	-
	(g/tAu)	0.96	0.97	-	-	-	-	-	-	-	-
	(kozAu)	126	96	-	-	-	-	-	-	-	-
Recovery	(%)	92.4	90.4	-	-	-	-	-	-	-	-
Production	(kozAu)	116	86	-	-	-	-	-	-	-	-
Poured	(kozAu)	116	86	-	-	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	116	86	-	-	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	166.50	123.62	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	(53.41)	(37.33)	-	-	-	-	-	-	-	-
SG&A	(US$m)	(21.54)	(16.11)	-	-	-	-	-	-	-	-
CG&A	(US$m)	(2.32)	(0.96)	-	-	-	-	-	-	-	-
Royalty	(US$m)	(11.65)	(8.65)	-	-	-	-	-	-	-	-
SDF	(US$m)	(1.66)	(1.24)	-	-	-	-	-	-	-	-
Realisation	(US$m)	(0.39)	(0.29)	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(35.70)	(34.51)	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(126.68)**	**(99.09)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**39.82**	**24.53**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**(2.79)**	**(1.97)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(2.00)	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(5.93)	(4.43)	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(1.66)	(20.54)	(23.65)	(1.33)	(1.33)	(1.33)	(1.33)	(1.33)	-	-
Working Capital	(US$m)	36.50	31.83	(3.07)	-	-	-	-	-	-	-
Total	**(US$m)**	**26.91**	**6.86**	**(26.72)**	**(1.33)**	**(1.33)**	**(1.33)**	**(1.33)**	**(1.33)**	**-**	**-**
Free Cashflow	**(US$m)**	**63.94**	**29.42**	**(26.72)**	**(1.33)**	**(1.33)**	**(1.33)**	**(1.33)**	**(1.33)**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	-	-	-	-	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	13.07	12.21	-	-	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	5.27	5.27	-	-	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	0.57	0.32	-	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	18.34	17.48	-	-	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	3.35	3.35	-	-	-	-	-	-	-	-
Royalty + SDF	(%)	8.00	8.00	-	-	-	-	-	-	-	-
AOC	(US$/oz)	781	747	-	-	-	-	-	-	-	-
AISC	**(US$/oz)**	**1,139**	**1,198**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	864	1,036	-	-	-	-	-	-	-	-
Total Costs	**(US$/oz)**	**574**	**691**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

15.4.4 Ity Gold Mine

Table 15-15 and Table 15-16 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Ity Gold Mine.

Table 15-15: Summary Annual LoMp TEPs and cashflow assessment for the Ity Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	241,657	23,100	22,328	23,069	25,541	25,899	25,369	26,286	26,341	26,657
Waste	(kt)	194,168	17,648	17,765	18,510	20,253	19,681	20,696	21,804	22,460	22,021
Ore	(kt)	47,490	5,452	4,563	4,559	5,288	6,218	4,673	4,482	3,882	4,636
	(g/tAu)	1.69	1.76	1.94	1.81	1.77	1.50	1.63	1.62	1.65	1.80
	(kozAu)	2,585	308	284	265	301	299	245	234	206	269
Stripping Ratio	(t_{waste}:t_{ore})	4.1	3.2	3.9	4.1	3.8	3.2	4.4	4.9	5.8	4.8
Ore Processed	(kt)	53,887	5,300	5,300	5,600	5,615	5,600	5,600	5,600	5,615	5,600
	(g/tAu)	1.58	1.84	1.70	1.55	1.62	1.69	1.53	1.50	1.37	1.60
	(kozAu)	2,745	314	290	280	293	305	275	271	248	288
Recovery	(%)	84.6	76.0	87.1	91.6	87.4	84.7	77.1	83.1	86.7	80.7
Production	(kozAu)	2,321	239	253	256	256	258	212	225	215	232
Poured	(kozAu)	2,321	239	253	256	256	258	212	225	215	232
Commodity Prices											
Gold	(US$/oz)	1,501	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	2,328	247	252	256	256	258	212	225	214	232
Sales Revenue											
Gold	(US$m)	3,494.25	427.16	401.33	399.02	378.36	373.68	302.57	321.68	306.49	331.80
Operating Expenditure											
Mining	(US$m)	(836.11)	(85.61)	(78.22)	(83.22)	(89.01)	(96.63)	(87.01)	(83.24)	(86.62)	(93.77)
Processing	(US$m)	(681.86)	(71.95)	(67.80)	(73.66)	(74.68)	(72.50)	(72.49)	(70.30)	(67.94)	(68.41)
SG&A	(US$m)	(194.49)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)
CG&A	(US$m)	(49.69)	(6.92)	(6.48)	(6.36)	(4.86)	(5.10)	(4.41)	(5.48)	(3.00)	(3.57)
Royalty	(US$m)	(144.04)	(21.36)	(16.05)	(15.96)	(15.13)	(14.95)	(12.10)	(12.87)	(12.26)	(13.27)
SDF	(US$m)	(17.47)	(2.14)	(2.01)	(2.00)	(1.89)	(1.87)	(1.51)	(1.61)	(1.53)	(1.66)
Realisation	(US$m)	(5.80)	(0.60)	(0.63)	(0.64)	(0.64)	(0.64)	(0.53)	(0.56)	(0.54)	(0.58)
Capitalised Waste	(US$m)	114.70	8.90	11.64	17.63	19.00	20.07	21.56	2.36	6.60	6.94
Inventory Movement	(US$m)	(40.20)	(0.30)	3.39	(2.06)	2.99	(0.09)	(8.82)	(10.87)	(13.05)	(8.49)
Total	**(US$m)**	**(1,854.95)**	**(199.98)**	**(176.15)**	**(186.27)**	**(184.23)**	**(191.71)**	**(185.33)**	**(202.57)**	**(198.35)**	**(202.80)**
EBITDA	**(US$m)**	**1,639.30**	**227.18**	**225.19**	**212.75**	**194.13**	**181.97**	**117.25**	**119.12**	**108.14**	**129.00**
CIT	**(US$m)**	**(251.18)**	**(35.84)**	**(26.64)**	**(39.30)**	**(42.21)**	**(33.07)**	**(27.63)**	**(8.58)**	**(10.87)**	**(7.66)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(186.35)	(45.81)	(12.55)	(5.82)	(16.26)	(16.38)	(24.34)	(12.93)	(13.73)	(14.38)
Sustaining	(US$m)	(94.73)	(6.65)	(20.04)	(13.03)	(7.92)	(7.94)	(7.78)	(7.92)	(7.93)	(7.81)
Capitalised Waste	(US$m)	(114.70)	(8.90)	(11.64)	(17.63)	(19.00)	(20.07)	(21.56)	(2.36)	(6.60)	(6.94)
Environmental Closure	(US$m)	(42.22)	-	-	-	-	-	-	-	(1.41)	(1.41)
Working Capital	(US$m)	8.53	(12.88)	8.85	6.72	(2.60)	1.69	5.29	10.09	12.67	10.13
Total	**(US$m)**	**(429.48)**	**(74.23)**	**(35.38)**	**(29.76)**	**(45.78)**	**(42.70)**	**(48.39)**	**(13.11)**	**(16.99)**	**(20.42)**
Free Cashflow	**(US$m)**	**958.65**	**117.12**	**163.16**	**143.69**	**106.14**	**106.19**	**41.23**	**97.42**	**80.29**	**100.91**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.46	3.71	3.50	3.61	3.49	3.73	3.43	3.17	3.29	3.52
Processing	(US$/$t_{proc}$)	12.65	13.58	12.79	13.15	13.30	12.95	12.95	12.55	12.10	12.22
SG&A	(US$/$t_{proc}$)	3.61	3.77	3.77	3.57	3.56	3.57	3.57	3.57	3.56	3.57
CG&A	(US$/$t_{proc}$)	0.92	1.31	1.22	1.14	0.87	0.91	0.79	0.98	0.53	0.64
Direct Site Costs	(US$/$t_{proc}$)	31.78	33.50	31.32	31.58	32.71	33.77	32.05	30.99	31.09	32.53
Refining, Transport, BP	(US$/oz)	2.49	2.42	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Royalty + SDF	(%)	4.62	5.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
AOC	(US$/oz)	780	809	711	720	732	744	834	852	865	837
AISC	**(US$/oz)**	**868**	**854**	**794**	**815**	**767**	**848**	**1,015**	**945**	**993**	**908**
AIC	(US$/oz)	968	1,057	887	863	901	916	1,088	955	1,003	969
Total Costs	**(US$/oz)**	**1,072**	**1,254**	**957**	**990**	**1,077**	**1,038**	**1,193**	**949**	**995**	**959**

Table 15-16: Summary Annual LoMp TEPs and cashflow assessment for the Ity Gold Mine (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	17,068	-	-	-	-	-	-	-	-	-
Waste	(kt)	13,330	-	-	-	-	-	-	-	-	-
Ore	(kt)	3,738	-	-	-	-	-	-	-	-	-
	(g/tAu)	1.46	-	-	-	-	-	-	-	-	-
	(kozAu)	175	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	3.57	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	4,056	-	-	-	-	-	-	-	-	-
	(g/tAu)	1.41	-	-	-	-	-	-	-	-	-
	(kozAu)	183	-	-	-	-	-	-	-	-	-
Recovery	(%)	96.3	-	-	-	-	-	-	-	-	-
Production	(kozAu)	177	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	177	-	-	-	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	176	-	-	-	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	252.15	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(52.78)	-	-	-	-	-	-	-	-	-
Processing	(US$m)	(42.13)	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	(14.49)	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	(3.51)	-	-	-	-	-	-	-	-	-
Royalty	(US$m)	(10.09)	-	-	-	-	-	-	-	-	-
SDF	(US$m)	(1.26)	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	(0.44)	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(2.89)	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(127.58)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**124.57**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**(15.02)**	**(4.36)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(14.38)	(9.77)	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(7.72)	-	-	-	-	-	-	-	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(9.32)	(25.84)	(0.85)	(0.85)	(0.85)	(0.85)	(0.85)	-	-	-
Working Capital	(US$m)	(10.61)	(20.82)	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(42.03)**	**(56.43)**	**(0.85)**	**(0.85)**	**(0.85)**	**(0.85)**	**(0.85)**	**-**	**-**	**-**
Free Cashflow	**(US$m)**	**67.52**	**(60.78)**	**(0.85)**	**(0.85)**	**(0.85)**	**(0.85)**	**(0.85)**	**-**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.09	-	-	-	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	10.39	-	-	-	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	3.57	-	-	-	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	0.86	-	-	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	26.97	-	-	-	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	2.50	-	-	-	-	-	-	-	-	-
Royalty + SDF	(%)	4.50	-	-	-	-	-	-	-	-	-
AOC	(US$/oz)	707	-	-	-	-	-	-	-	-	-
AISC	**(US$/oz)**	**767**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	885	-	-	-	-	-	-	-	-	-
Total Costs	**(US$/oz)**	**1,031**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

15.4.5 Karma Gold Mine

Table 15-17 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Karma Gold Mine.

Table 15-17: Summary Annual LoMp TEPs and cashflow assessment for the Karma Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	34,443	21,754	12,689	-	-	-	-	-	-	-
Waste	(kt)	29,281	19,024	10,257	-	-	-	-	-	-	-
Ore	(kt)	5,162	2,729	2,433	-	-	-	-	-	-	-
	(g/tAu)	0.93	0.89	0.96	-	-	-	-	-	-	-
	(kozAu)	154	79	75	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	5.7	7.0	4.2	-	-	-	-	-	-	-
Ore Processed	(kt)	5,482	3,049	2,433	-	-	-	-	-	-	-
	(g/tAu)	0.90	0.84	0.96	-	-	-	-	-	-	-
	(kozAu)	158	83	75	-	-	-	-	-	-	-
Recovery	(%)	81.7	81.2	82.3	-	-	-	-	-	-	-
Production	(kozAu)	129	67	62	-	-	-	-	-	-	-
Poured	(kozAu)	129	67	62	-	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,663	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	129	67	62	-	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	214.57	116.14	98.43	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(48.46)	(29.03)	(19.44)	-	-	-	-	-	-	-
Processing	(US$m)	(42.24)	(23.49)	(18.74)	-	-	-	-	-	-	-
SG&A	(US$m)	(17.49)	(9.73)	(7.76)	-	-	-	-	-	-	-
CG&A	(US$m)	(3.41)	(1.86)	(1.55)	-	-	-	-	-	-	-
Royalty	(US$m)	(14.72)	(8.12)	(6.60)	-	-	-	-	-	-	-
SDF	(US$m)	(2.15)	(1.16)	(0.98)	-	-	-	-	-	-	-
Realisation	(US$m)	(0.30)	(0.16)	(0.14)	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	12.33	9.26	3.07	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(22.61)	(4.21)	(18.40)	-	-	-	-	-	-	-
Gold Stream Cost	(US$m)	(14.72)	(9.60)	(5.12)	-	-	-	-	-	-	-
Total	**(US$m)**	**(153.76)**	**(78.09)**	**(75.67)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**60.81**	**38.05**	**22.76**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**(8.03)**	**(7.55)**	**(0.48)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(5.23)	(5.23)	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(5.48)	(3.05)	(2.43)	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	(12.33)	(9.26)	(3.07)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(25.11)	(3.02)	(17.99)	(0.82)	(0.82)	(0.82)	(0.82)	(0.82)	-	-
Working Capital	(US$m)	15.49	11.17	4.32	-	-	-	-	-	-	-
Total	**(US$m)**	**(32.66)**	**(9.38)**	**(19.18)**	**(0.82)**	**(0.82)**	**(0.82)**	**(0.82)**	**(0.82)**	**-**	**-**
Free Cashflow	**(US$m)**	**20.12**	**21.12**	**3.10**	**(0.82)**	**(0.82)**	**(0.82)**	**(0.82)**	**(0.82)**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	1.41	1.33	1.53	-	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	7.70	7.70	7.71	-	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	3.19	3.19	3.19	-	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	0.62	0.61	0.64	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	19.74	20.41	18.88	-	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	2.33	2.33	2.33	-	-	-	-	-	-	-
Royalty + SDF	(%)	7.86	7.99	7.71	-	-	-	-	-	-	-
AOC	(US$/oz)	902	957	843	-	-	-	-	-	-	-
AISC	**(US$/oz)**	**1,180**	**1,171**	**1,190**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	1,275	1,264	1,222	-	-	-	-	-	-	-
Total Costs	**(US$/oz)**	**1,218**	**1,210**	**1,160**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

15.4.6 Mana Gold Mine

Table 15-18 and Table 15-19 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Mana Gold Mine.

Table 15-18: Summary Annual LoMp TEPs and cashflow assessment for the Mana

Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	40,297	22,115	6,183	1,993	2,139	2,219	2,055	1,752	1,557	283
Waste	(kt)	26,208	19,872	4,163	445	521	616	436	149	7	-
Ore	(kt)	14,089	2,243	2,021	1,548	1,618	1,603	1,619	1,603	1,550	283
	(g/tAu)	3.10	2.84	2.60	3.66	3.85	3.20	2.87	2.99	3.02	3.41
	(kozAu)	1,406	205	169	182	200	165	149	154	151	31
Stripping Ratio	(t_{waste}:t_{ore})	1.86	8.86	2.06	0.29	0.32	0.38	0.27	0.09	0.00	-
Ore Processed	(kt)	14,225	2,338	2,062	1,548	1,618	1,603	1,619	1,603	1,550	283
	(g/tAu)	3.10	2.85	2.59	3.66	3.85	3.20	2.87	2.99	3.02	3.41
	(kozAu)	1,418	214	172	182	200	165	149	154	151	31
Recovery	(%)	86.8	90.7	90.7	90.9	90.3	86.1	81.0	81.0	81.0	81.0
Production	(kozAu)	1,231	194	156	166	181	142	121	125	122	25
Poured	(kozAu)	1,231	195	155	166	181	143	121	124	122	25
Commodity Prices											
Gold	(US$/oz)	1,525	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	1,230	194	156	166	181	142	121	125	122	25
Sales Revenue											
Gold	(US$m)	1,875.99	335.89	247.40	258.19	267.40	205.62	173.05	178.16	174.32	35.98
Operating Expenditure											
Mining	(US$m)	(714.09)	(148.59)	(92.83)	(100.11)	(90.08)	(81.65)	(60.92)	(62.49)	(63.60)	(13.81)
Processing	(US$m)	(287.71)	(51.30)	(44.62)	(30.51)	(31.99)	(32.02)	(31.15)	(30.85)	(29.83)	(5.45)
SG&A	(US$m)	(96.60)	(15.60)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(6.00)	(3.00)
CG&A	(US$m)	(27.45)	(5.44)	(4.02)	(4.12)	(3.44)	(2.80)	(2.53)	(3.03)	(1.70)	(0.37)
Royalty	(US$m)	(93.80)	(16.79)	(12.37)	(12.91)	(13.37)	(10.28)	(8.65)	(8.91)	(8.72)	(1.80)
SDF	(US$m)	(18.76)	(3.36)	(2.47)	(2.58)	(2.67)	(2.06)	(1.73)	(1.78)	(1.74)	(0.36)
Realisation	(US$m)	(3.71)	(0.58)	(0.47)	(0.50)	(0.54)	(0.43)	(0.36)	(0.38)	(0.37)	(0.08)
Capitalised Waste	(US$m)	23.00	23.00	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(8.10)	(6.47)	(1.63)	-	-	0.00	-	0.00	(0.00)	-
Total	**(US$m)**	**(1,227.22)**	**(225.14)**	**(170.41)**	**(162.73)**	**(154.11)**	**(141.23)**	**(117.34)**	**(119.44)**	**(111.95)**	**(24.88)**
EBITDA	**(US$m)**	**648.77**	**110.75**	**76.99**	**95.46**	**113.29**	**64.39**	**55.71**	**58.72**	**62.37**	**11.10**
CIT	**(US$m)**	**(80.14)**	**(23.82)**	**(13.34)**	**(6.57)**	**(8.69)**	**(10.43)**	**(4.37)**	**(3.36)**	**(3.85)**	**(5.35)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(126.79)	(5.09)	(26.72)	(34.90)	(39.12)	(20.95)	-	-	-	-
Sustaining	(US$m)	(102.06)	(9.69)	(4.24)	(3.31)	(3.41)	(26.57)	(35.55)	(15.07)	(3.76)	(0.45)
Capitalised Waste	(US$m)	(23.00)	(23.00)	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(33.86)	-	-	-	-	-	(1.50)	(1.50)	(1.50)	(22.87)
Working Capital	(US$m)	(8.23)	27.72	(23.67)	1.36	(2.26)	6.75	(9.77)	2.73	(2.08)	(9.01)
Total	**(US$m)**	**(293.93)**	**(10.06)**	**(54.63)**	**(36.86)**	**(44.80)**	**(40.77)**	**(46.82)**	**(13.84)**	**(7.33)**	**(32.33)**
Free Cashflow	**(US$m)**	**274.70**	**76.86**	**9.02**	**52.03**	**59.81**	**13.20**	**4.52**	**41.52**	**51.19**	**(26.58)**
Unit Costs											
Mining	(US$/$t_{mined}$)	17.72	6.72	15.01	50.23	42.11	36.79	29.65	35.67	40.84	48.74
Processing	(US$/$t_{proc}$)	20.23	21.94	21.63	19.71	19.77	19.97	19.24	19.24	19.24	19.24
SG&A	(US$/$t_{proc}$)	6.79	6.67	5.82	7.75	7.42	7.49	7.41	7.49	3.87	10.58
CG&A	(US$/$t_{proc}$)	1.93	2.33	1.95	2.66	2.13	1.74	1.56	1.89	1.09	1.32
Direct Site Costs	(US$/$t_{proc}$)	77.21	92.16	72.47	92.14	82.87	78.39	64.28	65.70	64.13	78.56
Refining, Transport, BP	(US$/oz)	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01
Royalty + SDF	(%)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
AOC	(US$/oz)	991	1,126	1,085	983	853	996	970	959	918	989
AISC	**(US$/oz)**	**1,080**	**1,210**	**1,122**	**1,003**	**872**	**1,183**	**1,263**	**1,080**	**949**	**1,007**
AIC	(US$/oz)	1,223	1,321	1,284	1,214	1,088	1,331	1,276	1,092	961	1,916
Total Costs	**(US$/oz)**	**1,295**	**1,301**	**1,522**	**1,246**	**1,149**	**1,357**	**1,393**	**1,097**	**1,010**	**2,486**

Table 15-19: Summary Annual LoMp TEPs and cashflow assessment for the Mana Gold Mine (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Recovery	(%)	-	-	-	-	-	-	-	-	-	-
Production	(kozAu)	-	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	-	-	-	-	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	-	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
Royalty	(US$m)	-	-	-	-	-	-	-	-	-	-
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	-	-	-	-	-	-	-	-	-	-
CSR	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**(0.37)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**										
Capital Expenditure		-	-	-	-	-	-	-	-	-	-
Growth and Non-Sust.	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	(1.30)	(1.30)	(1.30)	(1.30)	(1.30)	-	-	-	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Environmental Closure	(US$m)	-	-	-	-	-	-	-	-	-	-
Working Capital	(US$m)	**(1.30)**	**(1.30)**	**(1.30)**	**(1.30)**	**(1.30)**	**-**	**-**	**-**	**-**	**-**
Total	**(US$m)**	**(1.67)**	**(1.30)**	**(1.30)**	**(1.30)**	**(1.30)**	**-**	**-**	**-**	**-**	**-**
Free Cashflow	**(US$m)**										
Unit Costs		-	-	-	-	-	-	-	-	-	-
Mining	(US$/$t_{mined}$)	-	-	-	-	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	-	-	-	-	-	-	-	-	-	-
Royalty + SDF	(%)	-	-	-	-	-	-	-	-	-	-
AOC	(US$/oz)	-	-	-	-	-	-	-	-	-	-
AISC	**(US$/oz)**	-	-	-	-	-	-	-	-	-	-
AIC	(US$/oz)	-	-	-	-	-	-	-	-	-	-
Total Costs	**(US$/oz)**	-	-	-	-	-	-	-	-	-	-

15.4.7 Sabodala-Massawa Gold Mine

Table 15-20 and Table 15-19 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Sabodala-Massawa Gold Mine.

Table 15-20: Summary Annual LoMp TEPs and cashflow assessment for the Sabodala-Massawa Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	436,230	40,218	39,422	39,415	37,003	37,005	34,984	35,023	33,099	29,257
Waste	(kt)	367,082	34,152	33,230	34,109	31,263	30,772	27,967	32,136	25,414	26,624
Ore	(kt)	69,148	6,066	6,192	5,306	5,739	6,233	7,017	2,886	7,684	2,633
	(g/tAu)	2.06	2.36	2.73	2.96	3.85	2.18	1.56	1.98	1.31	1.79
	(kozAu)	4,587	459	544	505	711	437	353	184	325	151
Stripping Ratio	(t_{waste}:t_{ore})	5.3	5.6	5.4	6.4	5.4	4.9	4.0	11.1	3.3	10.1
Ore Processed	(kt)	77,365	4,177	4,294	4,521	5,505	5,557	5,559	5,431	5,443	4,823
	(g/tAu)	1.93	2.83	2.92	2.97	2.78	2.52	2.38	1.90	2.48	1.60
	(kozAu)	4,796	381	403	432	493	451	425	331	435	248
Recovery	(%)	88.2	87.5	88.9	86.5	84.8	88.8	88.9	88.4	89.3	89.2
Production	(kozAu)	4,229	333	359	374	418	400	378	293	388	221
Poured	(kozAu)	4,229	333	359	374	418	400	378	293	388	221
Commodity Prices											
Gold	(US$/oz)	1,486	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	4,227	333	359	374	418	400	378	293	388	221
Sales Revenue											
Gold	(US$m)	6,278.88	575.68	570.09	582.96	618.38	580.02	540.05	418.40	554.40	316.31
Operating Expenditure											
Mining	(US$m)	(1,345.09)	(120.39)	(115.01)	(114.93)	(114.08)	(101.19)	(89.34)	(95.57)	(90.09)	(90.67)
Processing	(US$m)	(969.87)	(45.81)	(45.62)	(55.84)	(92.42)	(86.97)	(85.72)	(84.43)	(84.82)	(66.91)
SG&A	(US$m)	(278.25)	(24.00)	(21.25)	(20.00)	(20.00)	(20.00)	(20.00)	(20.00)	(17.00)	(17.00)
CG&A	(US$m)	(77.58)	(9.30)	(9.28)	(9.31)	(7.95)	(7.94)	(7.88)	(7.13)	(5.43)	(3.40)
Royalty	(US$m)	(314.15)	(28.99)	(28.50)	(29.15)	(30.92)	(29.00)	(27.00)	(20.92)	(27.72)	(15.82)
SDF	(US$m)	(33.37)	(2.66)	(2.67)	(2.91)	(3.04)	(2.10)	(1.63)	(1.50)	(1.24)	(0.41)
Realisation	(US$m)	(12.69)	(1.00)	(1.08)	(1.12)	(1.25)	(1.20)	(1.13)	(0.88)	(1.16)	(0.66)
Capitalised Waste	(US$m)	240.71	22.39	18.89	23.09	24.12	3.88	1.48	57.18	0.80	41.39
Inventory Movement	(US$m)	(3.77)	56.66	32.28	21.20	18.69	12.56	(2.55)	5.56	(37.36)	2.16
Gold Stream Cost	(US$m)	(170.27)	(11.92)	(11.95)	(11.73)	(11.12)	(10.90)	(10.75)	(10.75)	(10.75)	(10.75)
Total	**(US$m)**	**(2,964.32)**	**(165.02)**	**(184.20)**	**(200.69)**	**(237.97)**	**(242.86)**	**(244.52)**	**(178.44)**	**(274.77)**	**(162.07)**
EBITDA	**(US$m)**	**3,314.56**	**410.66**	**385.90**	**382.27**	**380.41**	**337.16**	**295.53**	**239.96**	**279.63**	**154.24**
CIT	**(US$m)**	**(546.72)**	**(26.17)**	**(79.54)**	**(65.42)**	**(53.83)**	**(49.72)**	**(37.49)**	**(49.61)**	**(40.46)**	**(58.31)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(418.17)	(91.10)	(137.94)	(87.02)	-	-	-	(24.44)	(23.38)	(8.95)
Sustaining	(US$m)	(220.49)	(26.67)	(62.83)	(39.10)	(26.41)	(11.15)	(8.95)	(10.97)	(6.90)	(5.57)
Capitalised Waste	(US$m)	(240.71)	(22.39)	(18.89)	(23.09)	(24.12)	(3.88)	(1.48)	(57.18)	(0.80)	(41.39)
Environmental Closure	(US$m)	(71.66)	-	-	-	-	-	-	(2.71)	-	-
Working Capital	(US$m)	17.89	(47.13)	(46.58)	(21.71)	(20.24)	(11.19)	3.84	(2.32)	33.86	4.66
Total	**(US$m)**	**(933.15)**	**(187.29)**	**(266.23)**	**(170.92)**	**(70.76)**	**(26.22)**	**(6.59)**	**(97.63)**	**2.78**	**(51.25)**
Free Cashflow	**(US$m)**	**1,834.69**	**197.19**	**40.13**	**145.92**	**255.82**	**261.23**	**251.44**	**92.72**	**241.95**	**44.68**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.08	2.99	2.92	2.92	3.08	2.73	2.55	2.73	2.72	3.10
Processing	(US$/$t_{proc}$)	12.54	10.97	10.62	12.35	16.79	15.65	15.42	15.54	15.59	13.87
SG&A	(US$/$t_{proc}$)	3.60	5.75	4.95	4.42	3.63	3.60	3.60	3.68	3.12	3.52
CG&A	(US$/$t_{proc}$)	1.00	2.23	2.16	2.06	1.44	1.43	1.42	1.31	1.00	0.71
Direct Site Costs	(US$/$t_{proc}$)	33.52	45.54	42.35	42.20	41.15	37.46	35.09	36.82	35.26	36.20
Refining, Transport, BP	(US$/oz)	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Royalty + SDF	(%)	5.53	5.50	5.47	5.50	5.49	5.36	5.30	5.36	5.22	5.13
AOC	(US$/oz)	660	630	570	562	588	611	612	592	585	694
AISC	**(US$/oz)**	**752**	**607**	**688**	**672**	**664**	**617**	**647**	**704**	**701**	**713**
AIC	(US$/oz)	885	1,052	1,183	962	709	649	640	918	665	947
Total Costs	**(US$/oz)**	**1,010**	**1,272**	**1,535**	**1,195**	**886**	**801**	**729**	**1,095**	**682**	**1,189**

Table 15-21: Summary Annual LoMp TEPs and cashflow assessment for the Sabodala-Massawa Gold Mine (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	30,361	30,269	30,098	14,290	5,249	383	155	-	-	-
Waste	(kt)	27,522	22,801	26,812	11,822	2,456	-	-	-	-	-
Ore	(kt)	2,839	7,468	3,286	2,467	2,793	383	155	-	-	-
	(g/tAu)	1.46	1.23	1.29	1.22	1.86	5.52	4.76	-	-	-
	(kozAu)	133	295	136	97	167	68	24	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	9.70	3.05	8.16	4.79	0.88	-	-	-	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Ore Processed	(kt)	4,243	4,239	4,244	4,230	4,223	4,011	4,022	2,842	-	-
	(g/tAu)	1.21	1.61	1.18	1.00	1.46	1.15	0.84	0.68	-	-
	(kozAu)	165	220	161	135	198	148	109	62	-	-
Recovery	(%)	89.3	89.7	89.1	88.8	88.9	88.5	88.0	88.0	-	-
Production	(kozAu)	147	197	143	120	176	131	96	55	-	-
Poured	(kozAu)	147	197	143	120	176	131	96	55	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	147	197	143	120	176	131	96	55	-	-
Sales Revenue											
Gold	(US$m)	210.44	281.86	204.81	171.81	251.97	186.89	136.75	78.05	-	-
Operating Expenditure											
Mining	(US$m)	(101.17)	(92.81)	(77.51)	(58.62)	(39.94)	(27.10)	(14.74)	(1.91)	-	-
Processing	(US$m)	(41.69)	(41.68)	(41.96)	(41.88)	(42.56)	(40.79)	(40.90)	(29.89)	-	-
SG&A	(US$m)	(17.00)	(17.00)	(17.00)	(14.00)	(12.00)	(10.00)	(8.00)	(4.00)	-	-
CG&A	(US$m)	(2.93)	(2.20)	(1.88)	(2.94)	-	-	-	-	-	-
Royalty	(US$m)	(10.52)	(14.09)	(10.24)	(8.59)	(12.60)	(9.34)	(6.84)	(3.90)	-	-
SDF	(US$m)	(0.05)	(0.03)	(0.03)	(0.03)	(0.01)	(0.02)	(0.02)	(0.02)	(15.00)	-
Realisation	(US$m)	(0.44)	(0.59)	(0.43)	(0.36)	(0.53)	(0.39)	(0.29)	(0.16)	-	-
Capitalised Waste	(US$m)	30.73	-	16.75	-	-	-	-	-	-	-
Inventory Movement	(US$m)	21.54	(3.23)	7.28	(6.76)	(43.19)	(29.45)	(29.80)	(29.37)	-	-
Gold Stream Cost	(US$m)	(10.75)	(10.75)	(9.55)	(7.92)	(11.97)	(8.79)	(6.37)	(3.55)	-	-
Total	**(US$m)**	**(132.28)**	**(182.39)**	**(134.56)**	**(141.10)**	**(162.80)**	**(125.88)**	**(106.96)**	**(72.80)**	**(15.00)**	**-**
EBITDA	**(US$m)**	**78.16**	**99.47**	**70.25**	**30.71**	**89.17**	**61.01**	**29.79**	**5.25**	**(15.00)**	**-**
CIT	**(US$m)**	**(28.28)**	**(8.45)**	**(13.56)**	**(8.47)**	**(0.26)**	**(16.30)**	**(11.04)**	**(3.94)**	**0.36**	**3.75**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(2.41)	(0.81)	(8.55)	(18.19)	(10.39)	(4.13)	(0.86)	-	-	-
Sustaining	(US$m)	(4.28)	(3.15)	(3.14)	(2.83)	(2.52)	(2.24)	(2.21)	(1.57)	-	-
Capitalised Waste	(US$m)	(30.73)	-	(16.75)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	-	-	-	-	-	-	-	(68.95)	-	-
Working Capital	(US$m)	(18.37)	1.47	(4.93)	8.00	41.58	31.45	31.37	31.42	2.71	-
Total	**(US$m)**	**(55.79)**	**(2.50)**	**(33.38)**	**(13.02)**	**28.67**	**25.08**	**28.31**	**(39.10)**	**2.71**	**-**
Free Cashflow	**(US$m)**	**(5.91)**	**88.52**	**23.31**	**9.22**	**117.57**	**69.79**	**47.06**	**(37.79)**	**(11.93)**	**3.75**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.33	3.07	2.58	4.10	7.61	70.82	95.22	-	-	-
Processing	(US$/$t_{proc}$)	9.82	9.83	9.89	9.90	10.08	10.17	10.17	10.52	-	-
SG&A	(US$/$t_{proc}$)	4.01	4.01	4.01	3.31	2.84	2.49	1.99	1.41	-	-
CG&A	(US$/$t_{proc}$)	0.69	0.52	0.44	0.69	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	37.68	35.74	32.16	27.06	22.38	19.42	15.82	12.59	-	-
Refining, Transport, BP	(US$/oz)	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Royalty + SDF	(%)	5.03	5.01	5.01	5.02	5.01	5.01	5.01	5.03	-	-
AOC	(US$/oz)	972	854	924	1,052	611	671	740	731	-	-
AISC	**(US$/oz)**	**1,064**	**887**	**1,012**	**1,132**	**870**	**913**	**1,075**	**1,298**	**-**	**-**
AIC	(US$/oz)	1,227	875	1,122	1,227	684	719	772	2,023	-	-
Total Costs	**(US$/oz)**	**1,543**	**910**	**1,251**	**1,231**	**450**	**603**	**560**	**1,519**	**-**	**-**

15.4.8 Wahgnion Gold Mine

Table 15-22 and Table 15-23 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Wahgnion Gold Mine.

Table 15-22: Summary Annual LoMp TEPs and cashflow assessment for the Wahgnion Gold Mine (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	265,704	26,806	26,971	41,027	41,006	41,025	41,009	33,761	12,391	1,709
Waste	(kt)	240,198	23,350	23,612	37,131	38,820	37,228	38,171	30,176	10,514	1,196
Ore	(kt)	25,506	3,456	3,359	3,896	2,186	3,797	2,838	3,585	1,878	513
	(g/tAu)	1.64	1.59	1.32	1.75	1.67	1.68	1.70	1.49	1.95	2.30
	(kozAu)	1,343	177	143	220	117	205	155	171	118	38
Stripping Ratio	(t_{waste}:t_{ore})	9.4	6.8	7.0	9.5	17.8	9.8	13.5	8.4	5.6	2.3
Ore Processed	(kt)	26,425	3,380	3,414	3,223	3,220	3,189	3,217	3,197	3,007	577
	(g/tAu)	1.61	1.58	1.39	1.84	1.48	1.86	1.58	1.58	1.49	2.12
	(kozAu)	1,367	171	152	191	153	191	164	162	144	39
Recovery	(%)	93.1	94.0	93.3	93.4	93.5	93.1	93.3	92.6	91.7	90.6
Production	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Poured	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Commodity Prices											
Gold	(US$/oz)	1,512	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	1,272	161	142	178	143	177	153	150	132	36
Sales Revenue											
Gold	(US$m)	1,924.51	278.80	226.03	277.79	211.85	257.32	218.50	214.44	188.86	50.92
Operating Expenditure											
Mining	(US$m)	(644.74)	(68.54)	(71.63)	(83.16)	(84.87)	(105.01)	(86.38)	(81.47)	(54.44)	(9.24)
Processing	(US$m)	(318.03)	(38.73)	(40.22)	(38.91)	(38.17)	(39.47)	(36.90)	(38.94)	(38.89)	(7.79)
SG&A	(US$m)	(115.20)	(19.00)	(19.00)	(14.00)	(14.00)	(14.00)	(14.00)	(14.00)	(4.80)	(2.40)
CG&A	(US$m)	(28.03)	(4.44)	(3.67)	(4.44)	(2.72)	(3.52)	(3.19)	(3.65)	(1.85)	(0.55)
Royalty	(US$m)	(114.28)	(16.56)	(13.42)	(16.50)	(12.58)	(15.28)	(12.97)	(12.73)	(11.21)	(3.02)
SDF	(US$m)	(19.21)	(2.78)	(2.26)	(2.77)	(2.11)	(2.57)	(2.18)	(2.14)	(1.88)	(0.51)
Realisation	(US$m)	(3.82)	(0.48)	(0.43)	(0.53)	(0.43)	(0.53)	(0.46)	(0.45)	(0.40)	(0.11)
Capitalised Waste	(US$m)	87.17	6.34	-	2.74	30.53	19.98	22.75	4.82	-	-
Inventory Movement	(US$m)	(8.21)	3.10	(1.40)	8.64	(9.57)	4.91	(3.47)	3.02	(12.61)	(0.84)
Total	**(US$m)**	**(1,164.35)**	**(141.09)**	**(152.03)**	**(148.93)**	**(133.94)**	**(155.49)**	**(136.80)**	**(145.55)**	**(126.09)**	**(24.44)**
EBITDA	**(US$m)**	**760.17**	**137.71**	**74.00**	**128.87**	**77.91**	**101.83**	**81.70**	**68.89**	**62.77**	**26.48**
CIT	**(US$m)**	**(56.38)**	**(6.00)**	**(12.62)**	**(1.91)**	**(2.30)**	**(1.91)**	**(9.24)**	**(8.33)**	**(6.83)**	**(7.02)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(53.90)	(25.56)	(22.35)	(2.00)	(2.00)	(2.00)	-	-	-	-
Sustaining	(US$m)	(130.39)	(6.70)	(25.16)	(31.30)	(11.89)	(16.51)	(20.38)	(13.93)	(4.11)	(0.42)
Capitalised Waste	(US$m)	(87.17)	(6.34)	-	(2.74)	(30.53)	(19.98)	(22.75)	(4.82)	-	-

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Environmental Closure	(US$m)	(27.25)	-	-	-	-	-	-	-	-	(7.64)
Working Capital	(US$m)	23.08	(1.66)	2.90	(12.79)	14.99	(7.55)	5.60	(2.80)	12.88	8.31
Total	**(US$m)**	**(275.64)**	**(40.25)**	**(44.60)**	**(48.84)**	**(29.42)**	**(46.05)**	**(37.53)**	**(21.55)**	**8.77**	**0.24**
Free Cashflow	**(US$m)**	**428.15**	**91.46**	**16.78**	**78.12**	**46.18**	**53.87**	**34.93**	**39.01**	**64.72**	**19.70**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.43	2.56	2.66	2.03	2.07	2.56	2.11	2.41	4.39	5.41
Processing	(US$/$t_{proc}$)	12.04	11.46	11.78	12.07	11.85	12.38	11.47	12.18	12.93	13.49
SG&A	(US$/$t_{proc}$)	4.36	5.62	5.57	4.34	4.35	4.39	4.35	4.38	1.60	4.16
CG&A	(US$/$t_{proc}$)	1.06	1.31	1.08	1.38	0.85	1.10	0.99	1.14	0.61	0.95
Direct Site Costs	(US$/$t_{proc}$)	40.79	37.36	38.33	42.22	42.56	49.69	42.67	42.04	32.63	33.66
Refining, Transport, BP	(US$/oz)	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Royalty + SDF	(%)	6.94	6.94	6.94	6.94	6.94	6.94	6.94	6.94	6.94	6.94
AOC	(US$/oz)	909	895	1,060	885	869	904	873	991	859	663
AISC	**(US$/oz)**	**1,079**	**956**	**1,246**	**1,028**	**1,232**	**1,030**	**1,178**	**1,096**	**986**	**698**
AIC	(US$/oz)	1,143	1,134	1,394	1,087	1,179	1,121	1,155	1,116	890	889
Total Costs	**(US$/oz)**	**1,170**	**1,182**	**1,462**	**1,170**	**1,090**	**1,174**	**1,179**	**1,190**	**844**	**853**

Table 15-23: Summary Annual LoMp TEPs and cashflow assessment for the Wahgnion Gold Mine (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	-	-	-	-	-	-	-	-	-	-
Waste	(kt)	-	-	-	-	-	-	-	-	-	-
Ore	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	-	-	-	-	-	-	-	-	-	-
Ore Processed	(kt)	-	-	-	-	-	-	-	-	-	-
	(g/tAu)	-	-	-	-	-	-	-	-	-	-
	(kozAu)	-	-	-	-	-	-	-	-	-	-
Recovery	(%)	-	-	-	-	-	-	-	-	-	-
Production	(kozAu)	-	-	-	-	-	-	-	-	-	-
Poured	(kozAu)	-	-	-	-	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	-	-	-	-	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	-	-	-	-	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	-	-	-	-	-	-	-	-	-	-
Processing	(US$m)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$m)	-	-	-	-	-	-	-	-	-	-
Royalty	(US$m)	-	-	-	-	-	-	-	-	-	-
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	-	-	-	-	-	-	-	-	-	-
3Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	-	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**(0.21)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	-	-	-	-	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(19.61)	-	-	-	-	-	-	-	-	-
Working Capital	(US$m)	3.20	-	-	-	-	-	-	-	-	-
Total	**(US$m)**	**(16.41)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Free Cashflow	**(US$m)**	**(16.62)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	-	-	-	-	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	-	-	-	-	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	-	-	-	-	-	-	-	-	-	-
Royalty + SDF	(%)	-	-	-	-	-	-	-	-	-	-
AOC	(US$/oz)	-	-	-	-	-	-	-	-	-	-
AISC	**(US$/oz)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	-	-	-	-	-	-	-	-	-	-
Total Costs	**(US$/oz)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

15.4.9 Fetekro Development Property

Table 15-24 and Table 15-25 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Fetekro Development Property.

Table 15-24: Summary Annual LoMp TEPs and cashflow assessment for the Fetekro Development Property (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	361,808	-	-	15,545	51,609	50,243	41,412	49,287	49,776	51,166
Waste	(kt)	329,832	-	-	15,210	47,077	46,317	37,522	46,845	45,669	48,009
Ore	(kt)	31,976	-	-	334	4,532	3,926	3,890	2,442	4,106	3,157
	(g/tAu)	2.07	-	-	1.53	1.76	1.58	2.13	2.56	2.06	2.49
	(kozAu)	2,133	-	-	16	257	199	267	201	272	253
Stripping Ratio	(t_{waste}:t_{ore})	10.3	-	-	45.5	10.4	11.8	9.6	19.2	11.1	15.2
Ore Processed	(kt)	31,976	-	-	-	3,424	3,530	3,300	3,319	3,300	3,300

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
	(g/tAu)	2.07	-	-	-	1.96	1.90	2.39	2.07	2.39	2.39
	(kozAu)	2,133	-	-	-	216	216	254	221	254	254
Recovery	(%)	94.7	-	-	-	94.9	95.0	94.6	94.6	94.6	94.6
Production	(kozAu)	2,019	-	-	-	205	205	240	209	240	240
Poured	(kozAu)	2,019	-	-	-	205	205	240	209	240	240
Commodity Prices											
Gold	(US$/oz)	1,437	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	2,018	-	-	-	205	205	240	209	240	240
Sales Revenue											
Gold	(US$m)	2,899.85	-	-	-	303.25	297.10	343.03	299.13	343.03	343.03
Operating Expenditure											
Mining	(US$m)	(1,023.35)	-	-	-	(127.01)	(137.97)	(117.10)	(143.76)	(153.80)	(145.18)
Processing	(US$m)	(294.95)	-	-	-	(29.70)	(30.83)	(31.08)	(31.07)	(31.08)	(31.08)
SG&A	(US$m)	(176.48)	-	-	-	(18.58)	(18.58)	(18.58)	(18.58)	(18.58)	(18.58)
CG&A	(US$m)	(35.45)	-	-	-	(3.90)	(4.07)	(5.01)	(5.10)	(3.36)	(3.69)
Royalty	(US$m)	(130.49)	-	-	-	(13.65)	(13.37)	(15.44)	(13.46)	(15.44)	(15.44)
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	(6.06)	-	-	-	(0.62)	(0.62)	(0.72)	(0.63)	(0.72)	(0.72)
Capitalised Waste	(US$m)	133.61	-	-	-	0.41	15.98	-	63.16	10.24	43.82
Inventory Movement	(US$m)	(0.00)	-	-	-	13.34	(0.24)	(1.49)	0.34	3.67	(0.55)
Total	**(US$m)**	**(1,533.18)**	**-**	**-**	**-**	**(179.70)**	**(189.69)**	**(189.40)**	**(149.09)**	**(209.05)**	**(171.41)**
EBITDA	**(US$m)**	**1,366.67**	**-**	**-**	**-**	**123.55**	**107.41**	**153.63**	**150.04**	**133.97**	**171.62**
CIT	**(US$m)**	**(236.76)**	**-**	**-**	**-**	**-**	**(3.12)**	**(10.15)**	**(21.91)**	**(24.23)**	**(27.10)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(338.24)	(14.19)	(196.49)	(127.57)	-	-	-	-	-	-
Sustaining	(US$m)	(38.35)	-	-	-	(3.15)	(3.60)	(3.86)	(4.11)	(4.37)	(4.37)
Capitalised Waste	(US$m)	(134.02)	-	-	-	(0.82)	(15.98)	-	(63.16)	(10.24)	(43.82)
Environmental Closure	(US$m)	(44.00)	-	-	-	-	-	-	-	-	-
Working Capital	(US$m)	0.00	-	-	-	17.04	2.40	(2.04)	4.29	(1.78)	(0.99)
Total	**(US$m)**	**(554.62)**	**(14.19)**	**(196.49)**	**(127.57)**	**13.08**	**(17.18)**	**(5.90)**	**(62.98)**	**(16.39)**	**(49.17)**
Free Cashflow	**(US$m)**	**575.29**	**(14.19)**	**(196.49)**	**(127.57)**	**136.63**	**87.11**	**137.59**	**65.15**	**93.36**	**95.34**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.83	-	-	-	2.46	2.75	2.83	2.92	3.09	2.84
Processing	(US$/$t_{proc}$)	9.22	-	-	-	8.68	8.73	9.42	9.36	9.42	9.42
SG&A	(US$/$t_{proc}$)	5.52	-	-	-	5.43	5.26	5.63	5.60	5.63	5.63
CG&A	(US$/$t_{proc}$)	1.11	-	-	-	1.14	1.15	1.52	1.54	1.02	1.12
Direct Site Costs	(US$/$t_{proc}$)	46.75	-	-	-	51.20	53.08	50.53	58.28	61.65	59.04
Refining, Transport, BP	(US$/oz)	3.00	-	-	-	3.00	3.00	3.00	3.00	3.00	3.00
Royalty + SDF	(%)	4.50	-	-	-	4.50	4.50	4.50	4.50	4.50	4.50
AOC	(US$/oz)	760	-	-	-	942	925	783	714	887	712
AISC	**(US$/oz)**	**845**	**-**	**-**	**-**	**894**	**1,021**	**806**	**1,034**	**932**	**915**
AIC	(US$/oz)	1,035	-	-	-	961	1,020	799	1,036	948	913
Total Costs	**(US$/oz)**	**1,152**	**-**	**-**	**-**	**878**	**1,024**	**850**	**1,120**	**1,056**	**1,030**

Table 15-25: Summary Annual LoMp TEPs and cashflow assessment for the Fetekro Development Property (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	25,678	17,549	9,299	245	-	-	-	-	-	-
Waste	(kt)	21,145	14,499	7,417	122	-	-	-	-	-	-
Ore	(kt)	4,533	3,051	1,882	123	-	-	-	-	-	-
	(g/tAu)	2.16	1.64	2.96	3.10	-	-	-	-	-	-
	(kozAu)	315	161	179	12	-	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	4.7	4.8	3.9	1.0	-	-	-	-	-	-
Ore Processed	(kt)	3,300	3,300	3,380	1,823	-	-	-	-	-	-
	(g/tAu)	2.26	2.04	1.96	0.84	-	-	-	-	-	-
	(kozAu)	240	217	213	49	-	-	-	-	-	-
Recovery	(%)	94.6	94.6	94.6	94.6	-	-	-	-	-	-
Production	(kozAu)	227	205	201	47	-	-	-	-	-	-
Poured	(kozAu)	227	205	201	47	-	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	227	205	201	47	-	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	324.06	293.00	287.55	66.68	-	-	-	-	-	-
Operating Expenditure											
Mining	(US$m)	(87.19)	(61.50)	(40.40)	(9.44)	-	-	-	-	-	-
Processing	(US$m)	(31.08)	(31.08)	(31.51)	(16.46)	-	-	-	-	-	-
SG&A	(US$m)	(18.58)	(18.58)	(18.58)	(9.29)	-	-	-	-	-	-
CG&A	(US$m)	(4.51)	(2.29)	(2.65)	(0.89)	-	-	-	-	-	-
Royalty	(US$m)	(14.58)	(13.19)	(12.94)	(3.00)	-	-	-	-	-	-
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	(0.68)	(0.62)	(0.60)	(0.14)	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	3.63	(6.41)	(8.64)	(3.66)	-	-	-	-	-	-
Total	**(US$m)**	**(152.98)**	**(133.65)**	**(115.32)**	**(42.88)**	**-**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**171.08**	**159.35**	**172.23**	**23.80**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**(36.98)**	**(36.70)**	**(33.49)**	**(38.77)**	**(4.31)**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(4.37)	(3.86)	(4.54)	(2.15)	-	-	-	-	-	-
Capitalised Waste	(US$m)	-	-	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	-	-	-	(16.50)	(22.00)	(5.50)	-	-	-	-
Working Capital	(US$m)	(13.61)	2.06	5.33	(12.71)	-	-	-	-	-	-
Total	**(US$m)**	**(17.97)**	**(1.80)**	**0.79**	**(31.36)**	**(22.00)**	**(5.50)**	**-**	**-**	**-**	**-**
Free Cashflow	**(US$m)**	**116.13**	**120.85**	**139.53**	**(46.34)**	**(26.31)**	**(5.50)**	**-**	**-**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.40	3.50	4.34	38.53	-	-	-	-	-	-
Processing	(US$/$t_{proc}$)	9.42	9.42	9.32	9.03	-	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	5.63	5.63	5.50	5.09	-	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	1.37	0.69	0.78	0.49	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	41.47	33.68	26.77	19.30	-	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	3.00	3.00	3.00	3.00	-	-	-	-	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Royalty + SDF	(%)	4.50	4.50	4.50	4.50	-	-	-	-	-	-
AOC	(US$/oz)	691	621	531	841	-	-	-	-	-	-
AISC	**(US$/oz)**	**694**	**671**	**596**	**966**	**-**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	710	640	553	1,241	-	-	-	-	-	-
Total Costs	**(US$/oz)**	**934**	**809**	**693**	**2,345**	**-**	**-**	**-**	**-**	**-**	**-**

15.4.10 Kalana Development Property

Table 15-26 and Table 15-27 presents the total LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Kalana Development Property.

Table 15-26: Summary Annual LoMp TEPs and cashflow assessment for the Kalana Development Property (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	275,775	-	-	10,836	28,945	30,320	30,155	30,361	28,606	27,629
Waste	(kt)	240,179	-	-	9,199	24,743	26,144	25,999	26,957	25,029	24,483
Ore	(kt)	35,596	-	-	1,637	4,203	4,176	4,156	3,404	3,577	3,146
	(g/tAu)	1.60	-	-	1.87	2.00	1.63	1.55	1.62	1.54	1.74
	(kozAu)	1,829	-	-	98	271	218	207	178	178	176
Stripping Ratio	(t_{waste}:t_{ore})	6.75	-	-	5.62	5.89	6.26	6.26	7.92	7.00	7.78
Ore Processed	(kt)	35,596	-	-	781	3,269	3,668	3,514	3,339	3,155	3,152
	(g/tAu)	1.60	-	-	2.75	2.47	1.75	1.66	1.56	1.66	1.66
	(kozAu)	1,829	-	-	69	259	206	188	167	169	168
Recovery	(%)	90.5	-	-	94.2	93.7	91.7	91.1	89.7	88.9	89.2
Production	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Poured	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Commodity Prices											
Gold	(US$/oz)	1,445	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	1,655	-	-	65	243	189	171	150	150	150
Sales Revenue											
Gold	(US$m)	2,390.50	-	-	101.32	359.70	274.12	244.50	214.50	214.50	214.50
Operating Expenditure											
Mining	(US$m)	(746.53)	-	-	(13.72)	(56.64)	(64.52)	(73.57)	(78.92)	(82.18)	(80.79)
Processing	(US$m)	(472.68)	-	-	(8.75)	(36.63)	(41.67)	(42.50)	(43.58)	(44.73)	(44.06)
SG&A	(US$m)	(141.23)	-	-	(3.21)	(12.84)	(12.84)	(12.84)	(12.84)	(12.84)	(12.84)
CG&A	(US$m)	(29.57)	-	-	(1.47)	(4.62)	(3.75)	(3.57)	(3.65)	(2.10)	(2.31)
Royalty	(US$m)	(86.06)	-	-	(3.65)	(12.95)	(9.87)	(8.80)	(7.72)	(7.72)	(7.72)
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	(4.96)	-	-	(0.19)	(0.73)	(0.57)	(0.51)	(0.45)	(0.45)	(0.45)
Capitalised Waste	(US$m)	66.70	-	-	-	-	-	3.04	10.20	3.25	10.49
Inventory Movement	(US$m)	-	-	-	7.07	11.53	9.74	12.69	12.48	6.60	7.14
Total	**(US$m)**	**(1,414.34)**	**-**	**-**	**(23.92)**	**(112.86)**	**(123.47)**	**(126.07)**	**(124.50)**	**(140.17)**	**(130.53)**
EBITDA	**(US$m)**	**976.15**	**-**	**-**	**77.41**	**246.83**	**150.64**	**118.44**	**90.00**	**74.33**	**83.97**
CIT	**(US$m)**	**(181.60)**	**-**	**-**	**-**	**-**	**(29.39)**	**(31.88)**	**(20.24)**	**(15.38)**	**(20.83)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(318.78)	(3.05)	(168.72)	(125.02)	-	(8.46)	(13.53)	-	-	-
Sustaining	(US$m)	(36.51)	-	-	-	(2.80)	(3.39)	(3.68)	(3.98)	(4.27)	(4.27)
Capitalised Waste	(US$m)	(66.70)	-	-	-	-	-	(3.04)	(10.20)	(3.25)	(10.49)
Environmental Closure	(US$m)	(35.00)	-	-	-	-	-	-	-	-	-
Working Capital	(US$m)	0.00	-	-	0.71	(8.97)	(8.21)	(11.58)	(11.71)	(7.00)	(7.45)
Total	**(US$m)**	**(456.98)**	**(3.05)**	**(168.72)**	**(124.31)**	**(11.77)**	**(20.06)**	**(31.83)**	**(25.88)**	**(14.52)**	**(22.22)**
Free Cashflow	**(US$m)**	**337.57**	**(3.05)**	**(168.72)**	**(46.90)**	**235.07**	**101.19**	**54.73**	**43.88**	**44.43**	**40.93**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.71	-	-	1.27	1.96	2.13	2.44	2.60	2.87	2.92
Processing	(US$/$t_{proc}$)	13.28	-	-	11.21	11.20	11.36	12.10	13.05	14.18	13.98
SG&A	(US$/$t_{proc}$)	3.97	-	-	4.11	3.93	3.50	3.65	3.84	4.07	4.07
CG&A	(US$/$t_{proc}$)	0.83	-	-	1.88	1.41	1.02	1.02	1.09	0.67	0.73
Direct Site Costs	(US$/$t_{proc}$)	38.22	-	-	32.88	32.45	32.45	36.69	40.53	44.30	43.68
Refining, Transport, BP	(US$/oz)	3.00	-	-	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Royalty + SDF	(%)	3.60	-	-	3.60	3.60	3.60	3.60	3.60	3.60	3.60
AOC	(US$/oz)	855	-	-	477	512	705	812	913	978	918
AISC	**(US$/oz)**	**917**	**-**	**-**	**368**	**476**	**671**	**777**	**924**	**985**	**969**
AIC	(US$/oz)	1,131	-	-	2,402	523	767	930	1,008	1,029	1,016
Total Costs	**(US$/oz)**	**1,241**	**-**	**-**	**2,391**	**560**	**966**	**1,184**	**1,221**	**1,178**	**1,205**

Table 15-27: Summary Annual LoMp TEPs and cashflow assessment for the Kalana Development Property (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	29,626	27,074	22,380	8,820	1,022	-	-	-	-	-
Waste	(kt)	27,450	23,736	18,892	6,768	779	-	-	-	-	-
Ore	(kt)	2,176	3,338	3,489	2,052	243	-	-	-	-	-
	(g/tAu)	1.52	1.24	1.42	1.40	1.61	-	-	-	-	-
	(kozAu)	106	133	159	93	13	-	-	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	12.62	7.11	5.42	3.30	3.21	-	-	-	-	-
Ore Processed	(kt)	3,403	3,059	3,001	3,003	2,252	-	-	-	-	-
	(g/tAu)	1.40	1.28	1.53	1.19	0.83	-	-	-	-	-
	(kozAu)	153	126	148	115	60	-	-	-	-	-
Recovery	(%)	90.3	88.7	88.6	88.6	88.6	-	-	-	-	-
Production	(kozAu)	138	112	131	102	53	-	-	-	-	-
Poured	(kozAu)	138	112	131	102	53	-	-	-	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	138	112	131	102	53	-	-	-	-	-
Sales Revenue											
Gold	(US$m)	197.87	159.95	187.16	146.16	76.22	-	-	-	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Operating Expenditure											
Mining	(US$m)	(80.34)	(85.33)	(77.25)	(38.55)	(14.74)	-	-	-	-	-
Processing	(US$m)	(43.66)	(44.86)	(44.46)	(44.46)	(33.32)	-	-	-	-	-
SG&A	(US$m)	(12.84)	(12.84)	(12.84)	(12.84)	(9.63)	-	-	-	-	-
CG&A	(US$m)	(2.74)	(1.24)	(1.72)	(2.42)	-	-	-	-	-	-
Royalty	(US$m)	(7.12)	(5.76)	(6.74)	(5.26)	(2.74)	-	-	-	-	-
SDF	(US$m)	-	-	-	-	-	-	-	-	-	-
Realisation	(US$m)	(0.42)	(0.34)	(0.39)	(0.31)	(0.16)	-	-	-	-	-
Capitalised Waste	(US$m)	33.54	6.19	-	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(7.15)	3.75	(4.93)	(15.46)	(43.46)	-	-	-	-	-
Total	**(US$m)**	**(120.73)**	**(140.43)**	**(148.33)**	**(119.28)**	**(104.05)**	**-**	**-**	**-**	**-**	**-**
EBITDA	**(US$m)**	**77.14**	**19.52**	**38.83**	**26.88**	**(27.83)**	**-**	**-**	**-**	**-**	**-**
CIT	**(US$m)**	**(25.99)**	**(21.73)**	**(0.97)**	**(8.84)**	**(6.36)**	**-**	**-**	**-**	**-**	**-**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	-	-	-	-	-	-	-	-	-	-
Sustaining	(US$m)	(4.27)	(3.68)	(3.09)	(2.80)	(0.30)	-	-	-	-	-
Capitalised Waste	(US$m)	(33.54)	(6.19)	-	-	-	-	-	-	-	-
Environmental Closure	(US$m)	-	-	-	(8.75)	(26.25)	-	-	-	-	-
Working Capital	(US$m)	8.64	(4.00)	0.50	13.36	35.71	-	-	-	-	-
Total	**(US$m)**	**(29.16)**	**(13.87)**	**(2.59)**	**1.82**	**9.17**	**-**	**-**	**-**	**-**	**-**
Free Cashflow	**(US$m)**	**21.99**	**(16.07)**	**35.27**	**19.86**	**(25.02)**	**-**	**-**	**-**	**-**	**-**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.71	3.15	3.45	4.37	14.42	-	-	-	-	-
Processing	(US$/$t_{proc}$)	12.83	14.67	14.82	14.81	14.79	-	-	-	-	-
SG&A	(US$/$t_{proc}$)	3.77	4.20	4.28	4.28	4.28	-	-	-	-	-
CG&A	(US$/$t_{proc}$)	0.81	0.40	0.57	0.80	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	40.21	46.76	44.84	31.92	25.61	-	-	-	-	-
Refining, Transport, BP	(US$/oz)	3.00	3.00	3.00	3.00	3.00	-	-	-	-	-
Royalty + SDF	(%)	3.60	3.60	3.60	3.60	3.60	-	-	-	-	-
AOC	(US$/oz)	821	1,289	1,096	1,016	1,137	-	-	-	-	-
AISC	**(US$/oz)**	**1,146**	**1,344**	**1,157**	**1,194**	**1,958**	**-**	**-**	**-**	**-**	**-**
AIC	(US$/oz)	1,094	1,377	1,119	1,129	1,635	-	-	-	-	-
Total Costs	**(US$/oz)**	**1,219**	**1,607**	**1,123**	**1,084**	**1,084**	**-**	**-**	**-**	**-**	**-**

16 CONCLUDING REMARKS

16.1 Introduction

The following section includes discussion and comment on the principal findings in respect of the review of the Group's Mineral Assets as reported herein with specific focus on: the Mineral Resources and Ore Reserves; the Environmental and Social Liabilities; the Exploration Programme; Financial Modelling; and the associated Risks and Opportunities. SRK has conducted a comprehensive review and assessment of all material issues likely to influence the future operations of the Mineral Assets. The TEPs for the Mineral Assets, as provided and taken in good faith by SRK, have been reviewed and adjusted by SRK where considered appropriate.

All Mineral Resources and Ore Reserves and associated technical and economic parameters as reported herein are presented on a consolidated and specifically not an attributable basis.

16.2 The Mineral Assets

The Mineral Assets are located within the Birimian Greenstone Belt in West Africa which has a significant demonstrable history of exploration and production potential to date. Classified in accordance with development status (Section 1.2.2) the Mineral Assets, comprise seven Producing Properties ("**PP**"), two Development Properties ("**DP**"), three Advanced Exploration Properties ("**AEP**"), and 20 groupings of Exploration Properties ("**EP**"). The Mineral Assets are located within 125 mineral licences for a total land package of 17,877km^2 with 25 of these licences representing 3,725km^2 and hosting some 85 deposit groupings for which Mineral Resources are reported. Of these 85 deposit groupings, 61 report open pittable ("**o/p**") resources only; one reports underground resources only; 17 report both open pittable and underground resources ("**u/g**"); and six comprise surface stockpiles ("**s/p**").

The Mineral Assets (Table 16-1; Table 16-2) held by the Company as at 31 December 2020 and reported upon in this CPR are:

- a 90% equity interest in Boungou Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a CIP plant with a capacity of 1.3Mtpa which for the 12-month period ended 31 December 2020 sold 155kozAu at an AISC of US$680/ozAu;
- a 90% equity interest in Houndé Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a CIL plant with a capacity of 4.4Mtpa which for the 12-month period ended 31 December 2020 sold 278kozAu at an AISC of US$836/ozAu;
- a variable (85% to 90%) equity interest in Ity Gold Mine located in Côte d'Ivoire comprising an open pit mining operation processing through a CIL plant with a capacity of 5.6Mtpa which for the 12-month period ended 31 December sold 208kozAu at an AISC of US$808/ozAu;
- a 90% equity interest in Karma Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a HLF with a capacity of 5.0Mtpa which for the 12-month period ended 31 December 2020 sold 98kozAu at an AISC of US$1,007/ozAu;
- a 90% equity interest in Mana Gold Mine located in Burkina Faso comprising and open pit and underground mining operation processing through a CIL plant with a capacity of 2.6Mtpa which for the 12-month period ended 31 December 2020 sold 214kozAu at an AISC of US$769/ozAu;
- a 90% equity interest in Sabodala-Massawa Gold Mine located in Senegal comprising an open pit mining operation processing through a CIL plant with a capacity of 4.3Mtpa which for the 12-month period ended 31 December 2020 sold 226kozAu at an AISC of

US$950/ozAu;

- a 90% equity interest in Wahgnion Gold Mine located in Burkina Faso comprising an open pit mining operation processing through a CIL plant with a capacity of 3.4Mtpa which for the 12-month period ended 31 December 2020 sold 181kozAu at an AISC of US$954kozAu;
- an 80% equity interest in the Fetekro Gold Project located in Côte d'Ivoire which assumes construction of an open pit mine processing through a CIP plant with capacity of 3.3Mtpa at a total initial capital investment of US$338.0m and is currently the subject of a feasibility study planned for completion in Q4 2021;
- an 80% equity interest in the Kalana Gold Project located in Mali which assumes construction of an open pit mine processing through a CIL plant with capacity of 3.7Mtpa at a total initial capital investment of US$297m;
- Advanced Exploration Properties for which Mineral Resources have been defined to date and includes: a 100% equity interest in the Golden Hill AEP; a 90% equity interest in the Bantou AEP; and 90% equity interest the Nabanga AEP; and
- Exploration Properties comprising interests in over 86 mineral licences extending over a total land package of 14,152km^2.

Table 16-1: Mineral Assets: Producing Properties and Development Properties

Property Development Status	Country	Exploitation Licences (No)	Equity (%)	Mine/Plant Type	Capacity Mining (Mt)	Capacity Processing (Mt)	2020 Statistics Processed (Mt)	2020 Statistics Sales (koz)	AISC (koz)
Producing Properties									
Boungou Gold Mine	Burkina Faso	1	90.00	o/p; CIP	25.4	1.3	1.1	155	680
Houndé Gold Mine	Burkina Faso	2	90.00	o/p; CIL	45.2	4.4	4.2	278	836
Ity Gold Mine	Côte d'Ivoire	3	85.00; 90.00	o/p; CIL	23.8	5.6	5.4	208	808
Karma Gold Mine	Burkina Faso	1	90.00	o/p; HL	21.4	5.0	4.9	98	1,007
Mana Gold Mine	Burkina Faso	1	90.00	o/p&u/g; CIL	31.4	2.3	2.4	214	769
Sabodala-Massawa Gold Mine	Senegal	2	90.00	o/p; CIL	29.2	4.3	4.1	226	950
Wahgnion Gold Mine	Burkina Faso	1	90.00	o/p; CIL	25.8	3.4	3.5	181	954
Total		**11**			**202.2**	**26.3**	**25.7**	**1,360**	**850**
Development Properties									
Fetekro Gold Project	Côte d'Ivoire	1	80.00	o/p; CIP			n/a	n/a	n/a
Kalana Gold Project	Mali	1	80.00	o/p; CIL			n/a	n/a	n/a
Total		**2**							

Table 16-2: Mineral Asset distribution

Development Status	Deposits (No)	Ore Reserves (No)	Mineral Resources (No)	Licences (No)	Area (km^2)	Resource Statements o/p (No)	Resource Statements u/g (No)	Resource Statements o/p, u/g (No)	Resource Statements s/p (No)
Producing Properties	68	43	68	11	978	45	1	17	5
Development Properties	4	4	4	2	637	3	-	-	1
Advanced Exploration Properties	13	-	13	12	2,111	13	-	-	-
Exploration Properties	-	-	-	99	16,000	-	-	-	-
Total	**85**	**47**	**85**	**124**	**19,725**	**61**	**1**	**17**	**6**

16.3 Mineral Resource and Ore Reserves

The Mineral Resource and Ore Reserve statements for the Mineral Assets as at 31 December 2020 (the "**2020 Statements**") reported (Table 16-3):

- Total Ore Reserves reported on an aggregate basis of 299.8Mt grading 1.87g/tAu with contained gold of 18.0MozAu and on an attributable basis of 260.8Mt grading 1.88g/tAu with contained gold of 15.7MozAu; and
- Total Mineral Resources reported on an aggregate basis of 643.9Mt grading 1.78g/tAu with contained gold of 36.9Moz and on an attributable basis of 568.1Mt grading 1.79g/tAu with contained gold of 32.6MozAu: comprising
  - Measured and Indicated Mineral Resources (reported on an aggregate basis) of 491.1Mt grading 1.80g/tAu with contained gold of 28.4MozAu;
  - Inferred Mineral Resources (reported on an aggregate basis) of 152.8Mt grading 1.75g/tAu with contained gold of 8.6MozAu.

In all instances SRK concludes that:

- The Mineral Resources and Ore Reserve statements have an effective date of 31 December 2020;
- The Mineral Resources are reported in accordance with the terms and definitions of the JORC Code;
- The Mineral Resources have been assessed with regards to economic potential assuming appropriate modifying factors and cut-off-grade determinations and constrained within an optimised open-pit shell for open pittable Mineral Resources and either by mine stope optimiser analysis and/or appropriate cut-off grades for underground Mineral Resources. Generally, the assumed long-term gold price assumption for reporting Mineral Resources are assumed at US$1,500/oz;
- The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves; and
- All Ore Reserves are reported using a long-term gold price assumption of US$1,300/oz with the exception of open pit Ore Reserves at Mana gold Mine (Wona open pit) and the Development Properties which assumed a long-term gold price of US$1,500/oz.

Table 16-3: Mineral Resource and Ore Reserve Statements as at 1 January 2021

Property Development Status	Ore Reserves (100%)[1] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Mineral Resources (100%)[2] Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Producing Properties						
Boungou Gold Mine	8.56	3.65	1,004	15.28	3.30	1,621
Houndé Gold Mine	46.29	1.74	2,584	76.24	1.70	4,159
Ity Gold Mine	53.89	1.58	2,745	95.03	1.48	4,524
Karma Gold Mine	5.48	0.90	158	64.22	1.25	2,577
Mana Gold Mine	14.23	3.10	1,418	55.43	2.08	3,709
Sabodala-Massawa Gold Mine	77.37	1.93	4,796	126.37	2.06	8,367
Wahgnion Gold Mine	26.42	1.61	1,367	49.35	1.51	2,402
Subtotal	**232.23**	**1.88**	**14,072**	**481.93**	**1.77**	**27,359**
Development Properties						
Fetekro Gold Project	31.98	2.07	2,133	32.85	2.40	2,537
Kalana Gold Project	35.60	1.60	1,829	50.55	1.57	2,530
Subtotal	**67.57**	**1.82**	**3,961**	**83.40**	**1.90**	**5,083**
Advanced Exploration Properties						
Golden Hill	-	-	-	24.10	1.83	1,421
Bantou	-	-	-	51.11	1.37	2,245
Nabanga	-	-	-	3.40	7.69	841
Subtotal	**-**	**-**	**-**	**78.61**	**1.78**	**4,507**
Total	**299.80**	**1.87**	**18,034**	**643.93**	**1.78**	**36,950**
Attributable	**258.81**	**1.88**	**15,637**	**568.15**	**1.79**	**32,635**

(1) Ore Reserves are reported assuming a LTGP of US$1,300/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine and the Development Properties for which a LTGP of US$1,500/oz is assumed.

(2) Mineral Resources are reported assuming a LTGP of US$1,500/oz for all Producing Properties with the exception of the short life open-pit operation at Mana Gold Mine which assumes a LTGP of US$1,700/oz and the Golden Gill AEP which assumes a LTGP of US$1,800/oz.

Table 16-4: Mineral Resource Statements as at 1 January 2021

Development Status	Measured and Mineral Indicated (100%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)	Inferred Mineral Resources (100%) Tonnage (Mt)	Grade (g/tAu)	Content (kozAu)
Operating Properties						
Boungou Gold Mine	14.43	3.32	1,538	0.84	3.03	82
Houndé Gold Mine	69.38	1.72	3,829	6.86	1.50	330
Ity Gold Mine	77.12	1.52	3,762	17.91	1.32	762
Karma Gold Mine	47.98	1.23	1,898	16.25	1.30	679
Mana Gold Mine	45.23	2.07	3,009	10.20	2.14	701
Sabodala Massawa	102.11	2.02	6,640	24.27	2.21	1,728
Wahgnion Gold Mine	44.24	1.51	2,152	5.11	1.52	250
Subtotal	**400.48**	**1.77**	**22,827**	**81.44**	**1.73**	**4,532**
Development Properties						
Fetekro Development Property	32.03	2.40	2,470	0.82	2.51	66
Kalana Development Property	45.99	1.56	2,302	4.56	1.64	245
Subtotal	**78.02**	**1.90**	**4,772**	**5.38**	**1.80**	**311**
Advanced Exploration Properties						
Golden Hill AEP	12.62	1.85	752	11.48	1.81	669
Bantou AEP	-	-	-	51.11	1.37	2,245
Nabanga AEP	-	-	-	3.40	7.69	841
Subtotal	**12.62**	**1.85**	**752**	**65.99**	**1.77**	**3,755**
Total	**491.12**	**1.80**	**28,352**	**152.81**	**1.75**	**8,598**
Attributable	**432.01**	**1.80**	**24,961**	**136.14**	**1.75**	**7,675**

16.4 Environmental and Social Liabilities

Current mine closure estimates for the Mineral Assets have been developed as preliminary

determinations for inclusion in the Group's closure estimates. These are largely based on consideration of unit remediation cost rates related to an inventory of physical quantities considered necessary for implementation in the event of mine closure. These estimates however are considered high level and as such have a number of inherent limitations when considering both immediate closure and LoMp associated liabilities;

- They do not account for the enhanced footprint and related disturbance associated with depletion of the Ore Reserves as reported at 31 December 2020. For example, they do not account for: increased volumes of mined waste and tailings arisings which are required to be deposited in the dedicated waste storage facilities; establishment of new WRDs; mining of open pits for which production has not yet commenced;
- They do not account for retrenchment liabilities associated with termination of employees on cessation of mining and processing operations;
- They are not supported by engineering level of designs, activity scheduling and costings and as such the assumption of a 10% contingency is not appropriate given the level of technical support available at present; and
- The do not account for consideration of recent developments associated with mine closure standards as defined by the following general mine closure standards as considered in Section 1.2.2 of this CPR, specifically those associated with the *"Guidelines of the International Institute of Environment and Development"* and published in 2002.

Accordingly, SRK has reviewed the immediate closure estimates and modified these as appropriate to establish LoMp closure costs. In summary the key modifications included comprise: additional increments for open pits included in the Ore Reserves but not yet in operation; increased deposition of waste at the WRDs and the TSFs; increased volume of capping material to allow for the TSF landform following dewatering; and increased plant demolition costs where these are noted as being substantially less than appropriate benchmarks; increased contingency to 25% to reflect the level of engineering design and costing completed to date. The closure cost estimates generally comprise three components: pre-closure activities (1); closure activities (2); and post closure monitoring (3).

It is however important to note that the mine closure estimates as reported herein are not presently informed by ARDML testwork for all deposits and waste production from processing. Furthermore, it is clear that a portion of the waste and ore mined comprises transitional and fresh material representing some 45% or all material mined and 65% of all material processed. As such SRK considers that further work is required to assess the ARDML potential and if required the necessary ameliorating actions required to segregate waste and to contain and manage any seepage/runoff accordingly.

Furthermore, the potential for long term post closure surface water management including establishing water shedding landforms and other related aspects including active or passive water treatment has not yet been established. A further risk relates to the potential for pollution plumes or seepage from key landforms such as TSFs and WRDs. Accordingly, further investigative and technical study work programmes are required to rule these out and limit the risk for potential further increases in the environmental and social liabilities as reported herein.

The total immediate closure estimate reported on a real terms 1 January 2021 undiscounted basis is reported at US$126.4m for the Mineral Assets. Incorporating the various adjustments as noted above, SRK's estimate of the LoMp Bio-physical closure costs are estimated at a potential US$292.3m (Table 16-7) though it is understood that final closure requirements may change over time. Mine closure related expenditures are generally planned to commence four

years prior to planned cessation of mining and processing operations and are typically subdivided into three main sub-categories of expenditures comprising pre-closure expenditures; closure related expenditures; and post closure monitoring expenditures. In addition to the mine closure costs, the retrenchment costs are estimated at US$63.8m which provides for a total Environmental and Social Liability estimate of US$356.1m.

It is however important to note that the Group immediate closure as estimated as presented in Table 16-5 reflects the Groups current undiscounted ARO estimate and as such generally does not account for the expanded landform disturbances incurred in the LoMp. Furthermore, the key adjustments included by SRK largely relate to differing assumptions pertaining to expanded footprints for the TSF, increased depth of final cover, increased costs for future WRDs and increased costs for decommissioning, increased contingency and increased rehabilitation of the process plants. These in addition to the inclusion of retrenchment related costs are the principal reasons for the variances from that current reflected in the ARO estimate by the Group.

Furthermore, the Group has also established various closure funds for all operating mines other than Sabodala-Massawa. As at 31 December 2020 these total US$24.7m and are held in escrow accounts.

Table 16-5: Group Environmental and Social Liabilities

Mineral Assets	Group Immediate Closure (US$m)	Bio-Physical (US$m)	Retrenchment (US$m)	LoMp (US$m)
Operating Property				
Boungou	11.3	17.4	3.0	20.4
Houndé	19.2	45.4	11.2	56.6
Ity	12.8	34.3	7.9	42.2
Karma	12.3	21.9	3.2	25.1
Mana	19.0	31.3	2.5	33.9
Sabodala-Massawa	32.9	57.9	13.8	71.7
Wahgnion	16.8	19.6	7.6	27.3
Subtotal	**124.3**	**227.8**	**49.3**	**277.1**
Development Property				
Fetekro	-	35.0	9.0	44.0
Kalana	2.1	29.5	5.5	35.0
Subtotal	**2.1**	**64.5**	**14.5**	**79.0**
Total	**126.4**	**292.3**	**63.8**	**356.1**

Notwithstanding the above, SRK has reviewed the Company's recently established Group Standard for Mine Closure which has been developed to support this. Development of the new standard considered the following international benchmarks: local and international legislation; stock exchange requirements; and other international standards (including the ICMM Integrated Mine Closure Good Practice Guide and relevant World Gold Council principles, IFC Performance Standards and EHS Guidelines, and International Cyanide Management Code requirements). SRK understands that a specialised independent consultancy has been commissioned to undertake a detailed re-assessment of all environmental and social liabilities both with respect to determination of immediate closure and LoMp closure requirements and that this is planned for completion in calendar 2021.

16.5 Exploration Programme

The Group's planned exploration programme as reflected in its latest guidance (Table 16-6) indicates a range of expenditures from US$70m to US$90m with some US$56m of this being directly attributable to the existing Operating Properties of the Group. For the remaining Development Properties, Advanced Exploration Properties and other Exploration Properties a range of US$14m to US$34m has been reported.

Table 16-6: Group exploration guidance

Mineral Assets	2021 Guidance (US$m)
Operating Properties	
Boungou Gold Mine	7
Houndé Gold Mine	7
Ity Gold Mine	9
Karma Gold Mine	0
Mana Gold Mine	8
Sabodala Gold Mine	13

Mineral Assets	2021 Guidance (US$m)
Wahgnion Gold Mine	12
Subtotal	**56**
Development Properties, Advanced Exploration Properties and Exploration Properties	
Estimated Range	**14 – 34**
Total	**70 – 90**

The key strategic focus for 2021 as reported by the Group comprises:

- In Côte d'Ivoire, targeting new discoveries at the Greater Ity Project through:
  - exploring near mine targets and extensions,
  - extending Le Plaque and exploring nearby targets at Delta SE extension, Yopleu and South Floleu,
  - exploration of near mine targets at the Fetekro Development Property to expand the current Mineral Resource base,
  - exploration of the Boundoukou exploration property;
- In Burkina Faso, targeting near mine exploration to extend the operating lives of Mana and Boungou and further exploration to extend the Kari and Vindaloo deposits at Houndé Gold Mine and finally to upgrade Mineral Resources at Bantou and advancing the Tankoro targets at the Sarama JV; and
- In Senegal, targeting additional drilling to increase quality of resources at Sabodala/Massawa, including Massawa CZ, focusing on extending the non-refractory ore resources at Sofia North, Samina, Tina and Delya, and other underexplored near-mine or greenfield neighbouring targets.

16.6 Financial Modelling

The financial modelling for the Mineral Assets has been assessed with the express purpose of determining the economic viability of the Ore Reserves as reported herein. The resulting post-tax pre-finance cashflows have been established through the incorporation of the technical and economic parameters for the Operating Properties and the Development Properties as reported herein and incorporating the CMF long term price assumptions as reflected in Table 2-9 and all relevant non-technical assumptions as referenced in 15.2. Table 16-7 and Table 16-8 presents the annual LoMp summary analysis for the constituent components of the determination of post-tax pre-finance cashflow assessments of the Development Properties (also known as the Operations).

The Group's current financial reporting of historical and forecast AISC does not incorporate either contributions to the current closure cost funds nor the projected closure costs associated with the various LoMps. Furthermore, the various Mining Conventions relating to each of the exploitation licences stipulate a requirement for annual contributions to a defined closure fund. The Group's corporate Financial Model does not expressly model the future contributions to the closure cost funds nor incorporate the related expenditures into its AISC reporting as stipulated by the current WGC guidelines. Accordingly, in order to maintain parity with the historical reporting process, the Company has requested SRK to expressly exclude the closure costs from the AISC determination. SRK understands that as part of the next planning cycle the Group will review the approach to modelling of closure fund contributions (historical and forecast) and LoMp closure costs in its corporate financial model and amend these as deemed appropriate.

The financial modelling analyses for the Ore Reserves reported for the Operating Properties indicated as follows:

- Total sales comprising 12.5Moz of gold resulting in total sales revenue of US$18.8bn and an average gold price of US$1,505/oz;

- Projected EBITDA of US$9.0bn;
- Corporate Income Taxation of US$1.4bn;
- Capital Expenditure of US$2.6bn comprising: growth and non-sustaining capital of US$0.8bn; sustaining capital expenditure of US$0.8bn; capitalised waste of US$0.8bn; environmental closure of US$0.3bn; and working capital adjustments of positive US$80.4m;
- Post-tax pre-finance cashflows of US$5.0bn; and
- AISC of US$877/oz, AIC of US$975/oz and total costs of US$1,081/oz.

Table 16-7: Summary Annual LoMp TEPs and cashflow assessment for the Operating Properties (2021 through 2029)

Statistic	Units	Total	2021	2022	2023	2024	2025	2026	2027	2028	2029
Production											
Mined	(kt)	1,569,443	206,160	180,395	188,935	186,041	181,294	171,364	146,752	114,561	66,068
Waste	(kt)	1,355,727	180,496	155,625	165,719	165,203	157,596	146,868	127,445	94,807	57,224
Ore	(kt)	213,716	25,664	24,770	23,216	20,838	23,698	24,496	19,308	19,754	8,844
	(g/tAu)	1.97	2.11	2.09	2.20	2.64	2.07	1.78	1.79	1.57	1.89
	(kozAu)	13,538	1,737	1,665	1,646	1,766	1,578	1,401	1,114	998	538
Stripping Ratio	(t_{waste}:t_{ore})	6.34	7.03	6.28	7.14	7.93	6.65	6.00	6.60	4.80	6.47
Ore Processed	(kt)	232,228	23,948	23,038	20,346	21,660	21,724	21,598	20,974	20,063	15,621
	(g/tAu)	1.88	2.17	2.04	2.28	2.25	2.22	2.09	1.82	1.92	1.51
	(kozAu)	14,072	1,668	1,513	1,488	1,568	1,554	1,454	1,229	1,238	758
Recovery	(%)	88.6	88.0	89.7	90.4	88.8	88.5	87.1	87.7	88.3	86.0
Production	(kozAu)	12,474	1,467	1,358	1,346	1,393	1,375	1,267	1,078	1,093	652
Poured	(kozAu)	12,473	1,468	1,357	1,346	1,393	1,376	1,267	1,078	1,094	651
Commodity Prices											
Gold	(US$/oz)	1,505	1,730	1,590	1,560	1,480	1,450	1,430	1,430	1,430	1,430
Sales											
Gold	(kozAu)	12,475	1,475	1,357	1,345	1,392	1,374	1,266	1,077	1,093	652
Sales Revenue											
Gold	(US$m)	18,771.4	2,552.4	2,157.4	2,098.4	2,059.9	1,992.6	1,810.9	1,540.5	1,562.8	931.7
Operating Expenditure											
Mining	(US$m)	(4,648.87)	(609.25)	(510.00)	(536.97)	(520.73)	(527.02)	(477.97)	(414.55)	(353.18)	(232.62)
Processing	(US$m)	(3,116.34)	(321.89)	(308.81)	(285.97)	(327.06)	(324.00)	(321.36)	(302.24)	(272.05)	(198.76)
SG&A	(US$m)	(1,067.59)	(132.67)	(119.76)	(104.96)	(106.97)	(108.17)	(107.23)	(100.20)	(71.24)	(65.26)
CG&A	(US$m)	(258.07)	(41.15)	(35.00)	(33.53)	(26.48)	(27.19)	(26.43)	(26.25)	(15.29)	(10.01)
Royalty	(US$m)	(1,000.69)	(142.01)	(115.71)	(111.36)	(108.66)	(105.57)	(96.74)	(82.82)	(83.62)	(47.68)
SDF	(US$m)	(140.78)	(20.29)	(16.53)	(16.06)	(15.55)	(14.35)	(12.82)	(11.11)	(9.79)	(4.90)
Realisation	(US$m)	(37.02)	(4.34)	(4.00)	(4.00)	(4.14)	(4.09)	(3.79)	(3.21)	(3.26)	(1.89)
Capitalised Waste	(US$m)	801.69	118.89	79.40	111.51	134.01	80.89	80.84	86.55	13.77	48.34
Inventory Movement	(US$m)	(123.18)	46.07	18.08	61.84	14.69	32.86	(0.47)	5.13	(82.41)	(32.89)
Gold Stream Cost	(US$m)	(184.99)	(21.52)	(17.07)	(11.73)	(11.12)	(10.90)	(10.75)	(10.75)	(10.75)	(10.75)
Total	**(US$m)**	**(9,775.84)**	**(1,128.14)**	**(1,029.40)**	**(931.23)**	**(972.02)**	**(1,007.55)**	**(976.70)**	**(859.44)**	**(887.81)**	**(556.42)**
EBITDA	**(US$m)**	**8,995.52**	**1,424.25**	**1,127.97**	**1,167.12**	**1,087.85**	**985.02**	**834.22**	**681.07**	**674.97**	**375.31**
CIT	**(US$m)**	**(1,397.39)**	**(180.39)**	**(222.75)**	**(172.68)**	**(151.73)**	**(143.83)**	**(125.95)**	**(121.29)**	**(85.69)**	**(82.20)**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(844.58)	(189.84)	(199.56)	(132.46)	(62.81)	(45.02)	(30.02)	(42.80)	(42.54)	(28.05)
Sustaining	(US$m)	(771.68)	(71.23)	(137.72)	(119.35)	(67.54)	(85.56)	(118.39)	(71.92)	(33.81)	(26.14)
Capitalised Waste	(US$m)	(801.69)	(118.89)	(79.40)	(111.51)	(134.01)	(80.89)	(80.84)	(86.55)	(13.77)	(48.34)
Environmental Closure	(US$m)	(277.10)	(3.02)	(17.99)	(0.82)	(0.82)	(1.20)	(2.70)	(9.66)	(15.27)	(34.61)
Working Capital	(US$m)	80.48	(22.64)	(56.13)	(54.59)	(11.21)	(23.15)	(13.36)	(6.02)	68.34	37.53
Total	**(US$m)**	**(2,614.57)**	**(405.62)**	**(490.79)**	**(418.73)**	**(276.39)**	**(235.82)**	**(245.32)**	**(216.95)**	**(37.05)**	**(99.61)**
Free Cashflow	**(US$m)**	**4,983.55**	**838.24**	**414.44**	**575.72**	**659.73**	**605.36**	**462.96**	**342.84**	**552.23**	**193.51**
Unit Costs											
Mining	(US$/$t_{mined}$)	2.96	2.96	2.83	2.84	2.80	2.91	2.79	2.82	3.08	3.52
Processing	(US$/$t_{proc}$)	13.42	13.44	13.40	14.06	15.10	14.91	14.88	14.41	13.56	12.72
SG&A	(US$/$t_{proc}$)	4.60	5.54	5.20	5.16	4.94	4.98	4.96	4.78	3.55	4.18
CG&A	(US$/$t_{proc}$)	1.11	1.72	1.52	1.65	1.22	1.25	1.22	1.25	0.76	0.64
Direct Site Costs	(US$/$t_{proc}$)	38.04	44.42	40.74	45.61	44.08	44.15	41.97	38.95	34.71	31.79
Refining, Transport, BP	(US$/oz)	2.97	2.94	2.95	2.97	2.98	2.97	2.99	2.98	2.98	2.90
Royalty + SDF	(%)	6.08	6.36	6.13	6.07	6.03	6.02	6.05	6.10	5.98	5.64
AOC	(US$/oz)	759	781	759	730	701	749	762	793	727	787
AISC	**(US$/oz)**	**877**	**846**	**877**	**849**	**810**	**839**	**920**	**907**	**846**	**879**
AIC	(US$/oz)	975	1,041	1,080	1,000	891	904	946	988	824	997
Total Costs	**(US$/oz)**	**1,081**	**1,178**	**1,285**	**1,169**	**1,009**	**1,025**	**1,056**	**1,107**	**839**	**1,066**

Table 16-8: Summary Annual LoMp TEPs and cashflow assessment for the Operating Properties (2030 through 2039)

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Production											
Mined	(kt)	47,429	30,269	30,098	14,290	5,249	383	155	-	-	-
Waste	(kt)	40,852	22,801	26,812	11,822	2,456	-	-	-	-	-
Ore	(kt)	6,577	7,468	3,286	2,467	2,793	383	155	-	-	-
	(g/tAu)	1.46	1.23	1.29	1.22	1.86	5.52	4.76	-	-	-
	(kozAu)	308	295	136	97	167	68	24	-	-	-
Stripping Ratio	(t_{waste}:t_{ore})	6.21	3.05	8.16	4.79	0.88	-	-	-	-	-
Ore Processed	(kt)	12,387	7,296	4,244	4,230	4,223	4,011	4,022	2,842	-	-
	(g/tAu)	1.19	1.35	1.18	1.00	1.46	1.15	0.84	0.68	-	-
	(kozAu)	474	316	161	135	198	148	109	62	-	-
Recovery	(%)	92.8	89.9	89.1	88.8	88.9	88.5	88.0	88.0	-	-
Production	(kozAu)	440	284	143	120	176	131	96	55	-	-
Poured	(kozAu)	440	284	143	120	176	131	96	55	-	-
Commodity Prices											
Gold	(US$/oz)	1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430	-	-
Sales											
Gold	(kozAu)	440	284	143	120	176	131	96	55	-	-

Statistic	Units	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Sales Revenue											
Gold	(US$m)	629.1	405.5	204.8	171.8	252.0	186.9	136.8	78.1	-	-
Operating Expenditure											
Mining	(US$m)	(153.95)	(92.81)	(77.51)	(58.62)	(39.94)	(27.10)	(14.74)	(1.91)	-	-
Processing	(US$m)	(137.23)	(79.01)	(41.96)	(41.88)	(42.56)	(40.79)	(40.90)	(29.89)	-	-
SG&A	(US$m)	(53.03)	(33.11)	(17.00)	(14.00)	(12.00)	(10.00)	(8.00)	(4.00)	-	-
CG&A	(US$m)	(8.75)	(3.16)	(1.88)	(2.94)	-	-	-	-	-	-
Royalty	(US$m)	(32.26)	(22.75)	(10.24)	(8.59)	(12.60)	(9.34)	(6.84)	(3.90)	-	-
SDF	(US$m)	(2.98)	(1.27)	(0.03)	(0.03)	(0.01)	(0.02)	(0.02)	(0.02)	(15.00)	-
Realisation	(US$m)	(1.27)	(0.88)	(0.43)	(0.36)	(0.53)	(0.39)	(0.29)	(0.16)	-	-
Capitalised Waste	(US$m)	30.73	-	16.75	-	-	-	-	-	-	-
Inventory Movement	(US$m)	(17.05)	(37.74)	7.28	(6.76)	(43.19)	(29.45)	(29.80)	(29.37)	-	-
Gold Stream Cost	(US$m)	(10.75)	(10.75)	(9.55)	(7.92)	(11.97)	(8.79)	(6.37)	(3.55)	-	-
Total	**(US$m)**	**(386.54)**	**(281.48)**	**(134.56)**	**(141.10)**	**(162.80)**	**(125.88)**	**(106.96)**	**(72.80)**	**(15.00)**	**-**
EBITDA	**(US$m)**	**242.55**	**124.00**	**70.25**	**30.71**	**89.17**	**61.01**	**29.79**	**5.25**	**(15.00)**	**-**
CIT	**(US$m)**	**(46.67)**	**(14.77)**	**(13.56)**	**(8.47)**	**(0.26)**	**(16.30)**	**(11.04)**	**(3.94)**	**0.36**	**3.75**
Capital Expenditure											
Growth and Non-Sust.	(US$m)	(18.80)	(10.58)	(8.55)	(18.19)	(10.39)	(4.13)	(0.86)	-	-	-
Sustaining	(US$m)	(17.92)	(7.59)	(3.14)	(2.83)	(2.52)	(2.24)	(2.21)	(1.57)	-	-
Capitalised Waste	(US$m)	(30.73)	-	(16.75)	-	-	-	-	-	-	-
Environmental Closure	(US$m)	(32.90)	(48.69)	(26.81)	(4.49)	(3.48)	(2.18)	(2.18)	(70.28)	-	-
Working Capital	(US$m)	10.72	12.48	(8.00)	8.00	41.58	31.45	31.37	31.42	2.71	-
Total	**(US$m)**	**(89.64)**	**(54.38)**	**(63.26)**	**(17.51)**	**25.19**	**22.90**	**26.13**	**(40.43)**	**2.71**	**-**
Free Cashflow	**(US$m)**	**106.24**	**54.85**	**(6.57)**	**4.73**	**114.10**	**67.62**	**44.88**	**(39.12)**	**(11.93)**	**3.75**
Unit Costs											
Mining	(US$/$t_{mined}$)	3.25	3.07	2.58	4.10	7.61	70.82	95.22	-	-	-
Processing	(US$/$t_{proc}$)	11.08	10.83	9.89	9.90	10.08	10.17	10.17	10.52	-	-
SG&A	(US$/$t_{proc}$)	4.28	4.54	4.01	3.31	2.84	2.49	1.99	1.41	-	-
CG&A	(US$/$t_{proc}$)	0.71	0.43	0.44	0.69	-	-	-	-	-	-
Direct Site Costs	(US$/$t_{proc}$)	27.79	28.09	32.16	27.06	22.38	19.42	15.82	12.59	-	-
Refining, Transport, BP	(US$/oz)	2.89	3.11	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Royalty + SDF	(%)	5.60	5.92	5.01	5.02	5.01	5.01	5.01	5.03	-	-
AOC	(US$/oz)	815	822	924	1,052	611	671	740	731	-	-
AISC	**(US$/oz)**	**965**	**982**	**1,012**	**1,132**	**870**	**913**	**1,075**	**1,298**	**-**	**-**
AIC	(US$/oz)	1,044	1,057	1,309	1,265	704	736	795	2,047	-	-
Total Costs	**(US$/oz)**	**1,125**	**1,066**	**1,460**	**1,268**	**469**	**620**	**582**	**1,544**	**-**	**-**

Table 16-9 presents the LoMp contributions for each of the Operating Properties as reflected in each respective financial model. Analysis of the total LoMp contributions to the post-tax pre-finance cashflows indicates the following distribution: Boungou (9.0%); Houndé (20.5%); Ity (19.2%); Karma (0.4%); Mana (5.5%); Sabodala-Massawa (36.8%); and Wahgnion (8.6%).

Table 16-9: Summary LoMp TEPs and cashflow assessment for the Operating Properties

Statistic	Units	Boungou	Houndé	Ity	Karma	Mana	Sab-Mas.	Wahgnion	Operations
Production									
Mined	(kt)	141,138	409,974	241,657	34,443	40,297	436,230	265,704	1,569,443
Waste	(kt)	133,059	365,732	194,168	29,281	26,208	367,082	240,198	1,355,727
Ore	(kt)	8,080	44,242	47,490	5,162	14,089	69,148	25,506	213,716
	(g/tAu)	3.71	1.76	1.69	0.93	3.10	2.06	1.64	1.97
	(kozAu)	964	2,499	2,585	154	1,406	4,587	1,343	13,538
Stripping Ratio	(t_{waste}:t_{ore})	16.47	8.27	4.09	5.67	1.86	5.31	9.42	6.34
Ore Processed	(kt)	8,557	46,287	53,887	5,482	14,225	77,365	26,425	232,228
	(g/tAu)	3.65	1.74	1.58	0.90	3.10	1.93	1.61	1.88
	(kozAu)	1,004	2,584	2,745	158	1,418	4,796	1,367	14,072
Recovery	(%)	93.9	90.9	84.6	81.7	86.8	88.2	93.1	88.6
Production	(kozAu)	943	2,348	2,321	129	1,231	4,229	1,272	12,474
Poured	(kozAu)	943	2,348	2,321	129	1,231	4,229	1,272	12,473
Commodity Prices									
Gold	(US$/oz)	1,546	1,503	1,501	1,663	1,525	1,486	1,512	1,505
Sales									
Gold	(kozAu)	942	2,347	2,328	129	1,230	4,227	1,272	12,475
Sales Revenue									
Gold	(US$m)	1,455.95	3,527.19	3,494.25	214.57	1,875.99	6,278.88	1,924.51	18,771.36
Operating Expenditure									
Mining	(US$m)	(266.22)	(794.16)	(836.11)	(48.46)	(714.09)	(1,345.09)	(644.74)	(4,648.87)
Processing	(US$m)	(252.37)	(564.27)	(681.86)	(42.24)	(287.71)	(969.87)	(318.03)	(3,116.34)
SG&A	(US$m)	(121.64)	(243.93)	(194.49)	(17.49)	(96.60)	(278.25)	(115.20)	(1,067.59)
CG&A	(US$m)	(22.00)	(49.90)	(49.69)	(3.41)	(27.45)	(77.58)	(28.03)	(258.07)
Royalty	(US$m)	(72.80)	(246.90)	(144.04)	(14.72)	(93.80)	(314.15)	(114.28)	(1,000.69)
SDF	(US$m)	(14.56)	(35.27)	(17.47)	(2.15)	(18.76)	(33.37)	(19.21)	(140.78)
Realisation	(US$m)	(2.84)	(7.87)	(5.80)	(0.30)	(3.71)	(12.69)	(3.82)	(37.02)
Capitalised Waste	(US$m)	107.90	215.87	114.70	12.33	23.00	240.71	87.17	801.69
Inventory Movement	(US$m)	(17.73)	(22.56)	(40.20)	(22.61)	(8.10)	(3.77)	(8.21)	(123.18)
Gold Stream Cost	(US$m)	-	-	-	(14.72)	-	(170.27)	-	(184.99)
Total	**(US$m)**	**(662.25)**	**(1,748.98)**	**(1,854.95)**	**(153.76)**	**(1,227.22)**	**(2,964.32)**	**(1,164.35)**	**(9,775.84)**
EBITDA	**(US$m)**	**793.70**	**1,778.20**	**1,639.30**	**60.81**	**648.77**	**3,314.56**	**760.17**	**8,995.52**
CIT	**(US$m)**	**(197.46)**	**(257.48)**	**(251.18)**	**(8.03)**	**(80.14)**	**(546.72)**	**(56.38)**	**(1,397.39)**
Capital Expenditure									
Growth and Non-Sustaining	(US$k)	(4.77)	(49.36)	(186.35)	(5.23)	(126.79)	(418.17)	(53.90)	(844.58)
Sustaining	(US$k)	(24.94)	(193.60)	(94.73)	(5.48)	(102.06)	(220.49)	(130.39)	(771.68)
Capitalised Waste	(US$k)	(107.90)	(215.87)	(114.70)	(12.33)	(23.00)	(240.71)	(87.17)	(801.69)
Environmental Closure	(US$k)	(20.42)	(56.58)	(42.22)	(25.11)	(33.86)	(71.66)	(27.25)	(277.10)
Working Capital	(US$k)	9.31	14.42	8.53	15.49	(8.23)	17.89	23.08	80.48
Total	**(US$k)**	**(148.72)**	**(500.99)**	**(429.48)**	**(32.66)**	**(293.93)**	**(933.15)**	**(275.64)**	**(2,614.57)**
Free Cashflow	**(US$k)**	**447.52**	**1,019.74**	**958.65**	**20.12**	**274.70**	**1,834.69**	**428.15**	**4,983.55**
Unit Costs									
Mining	(US$/$t_{mined}$)	1.89	1.94	3.46	1.41	17.72	3.08	2.43	2.96
Processing	(US$/$t_{proc}$)	29.49	12.19	12.65	7.70	20.23	12.54	12.04	13.42
SG&A	(US$/$t_{proc}$)	14.22	5.27	3.61	3.19	6.79	3.60	4.36	4.60
CG&A	(US$/$t_{proc}$)	2.57	1.08	0.92	0.62	1.93	1.00	1.06	1.11

Statistic	Units	Boungou	Houndé	Ity	Karma	Mana	Sab-Mas.	Wahgnion	Operations
Direct Site Costs	(US$/$t_{proc}$)	74.82	34.62	31.78	19.74	77.21	33.52	40.79	38.04
Refining, Transport, BP	(US$/oz)	3.01	3.35	2.49	2.33	3.01	3.00	3.00	2.97
Royalty + SDF	(%)	6.00	8.00	4.62	7.86	6.00	5.53	6.94	6.08
AOC	(US$/oz)	684	736	780	902	991	660	909	759
AISC	**(US$/oz)**	**790**	**916**	**868**	**1,180**	**1,080**	**752**	**1,079**	**877**
AIC	(US$/oz)	852	955	968	1,275	1,223	885	1,143	975
Total Costs	(US$/oz)	1,052	1,059	1,072	1,218	1,295	1,010	1,170	1,081

16.7 Closing Statement

The CPR is addressed to and may be relied upon by the Company, the Directors of the Company and its advisors in support of the Listing, specifically in respect of compliance with the Requirements, the Reporting Standard and as appropriate Prospectus Rule 5.5.4R(2)(f). Accordingly, SRK has confirmed in writing (the "**Consent Letter**"), dated on the Publication Date that it:

- Accepts reliance as regards the CPR for any benefit of the Company and its Advisors;
- Consents to the inclusion of the CPR, and to the inclusion of any extracts from the CPR in the Prospectus;
- Confirms that all information contained in the Prospectus which is extracted from the CPR or based upon information contained in the CPR has been reviewed by SRK and that such information as presented is accurate, balanced, complete and not inconsistent with the CPR in accordance with Prospectus Rule 5.5.4R(2)(f); and
- Takes responsibility for the CPR and declares that it has taken all reasonable care to ensure that the information contained in the CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

SRK believes that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK has no obligation or undertaking to advise any person of any development in relation to Mineral Assets which comes to its attention after the date of this CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of this CPR.

The work completed by SRK in preparing this report has enabled it to present:

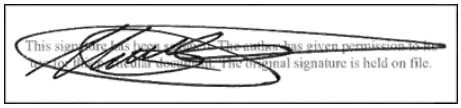
- Mineral Resource and Ore Reserve estimates for all of the Company's operating mines, Development Projects and Advanced Exploration Properties;
- A review of the Company's Exploration Programme and the potential in the Company's Exploration Properties;
- An assessment of the Environmental and Social practices relating to the Mineral Assets specifically:
  - the regulatory framework in which the Company operates,
  - the key features of the HSE management systems in effect at the operations,
  - the potential ESHS risks at each of the operations,
  - the asset retirement obligations and closure liabilities associated with the operations and the conformance of the operations to international standards in respect if environmental and social impact management;
- An assessment of the technical and economic parameters as incorporated into the LoMp for the Mineral Assets through development of detailed post-tax pre-finance cashflow models

which deplete the Ore Reserves as reported herein; and

- A summary of the key risks and opportunities as they relate to the Mineral Assets as reflected in the underlying technical sections for each of the Mineral Assets.

For and behalf of SRK Consulting (UK) Limited





Dr Iestyn Humphreys,
Corporate Consultant (Due Diligence),
SRK Consulting (UK) Limited.

Dr Timothy Lucks,
Principal Consultant (Geology),
SRK Consulting (UK) Limited.

Glossary

Glossary – Mineral Resources and Ore Reserves

Mineral Resource

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

Indicated Mineral Resource

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.

Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered.

An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.

Inferred Mineral Resource

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Measured Mineral Resource

A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.

Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered.

A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

Ore Reserve

An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that

include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.

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

Proved Ore Reserve — A 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.

Glossary – Development Stages

Producing Property — Mineral assets for which current Ore Reserves are declared and mining and processing operations have been commissioned and are in production.

Development Property — Mineral assets for which Ore Reserves have been declared and are essentially supported by a minimum of a pre-feasibility study which on a multi-disciplinary basis demonstrates that the consideration is technically feasible and economically viable.

Pre-Development Property

Mineral assets for which Mineral Resources have been defined but where a decision to proceed with development has not been made.

Advanced Exploration Property

Mineral assets for which only Mineral Resources have been declared.

Exploration Property — Mineral assets for which no Mineral Resources have been declared.

Glossary – Technical Studies

Feasibility Study — A Feasibility Study is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

Preliminary Feasibility Study

A Preliminary Feasibility Study (Pre-Feasibility Study) is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Scoping Study — A Scoping Study is an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably

justified.

Glossary – Cash Costs

Adjusted Operating Costs

Comprising on-site mining costs, on-site general and administrative costs, royalties and production taxes, released gains/losses on hedges due to operating costs, community costs related to current operations, refining and transport costs, non-cash remuneration (site-based), stockpile/leach pad and product inventory write down, operational waste stripping costs and by-product credits.

All In Sustaining Costs

Comprising corporate general & administration costs (including share-based remuneration), reclamation and remediation accretion and amortisation (operating sites), exploration and study costs (sustaining), capital exploration (sustaining), capitalised stripping & underground mine development (sustaining), sustaining capital expenditure and sustaining leases.

All-in Costs

Comprising growth and development costs not related to current operations, community costs not related to current operations, permitting costs not related to current operations, reclamation and remediation costs not related to current operations, exploration and study costs (non-sustaining), capital exploration (non-sustaining), capitalised stripping & underground mine development (non-sustaining), non-sustaining capital expenditure and non-sustaining leases.

Cash Costs	Includes costs of goods sold (including labour, energy, consumables) + royalties (net of by-product credits).
Total cash costs	Cash costs, sustaining capital, exploration expenses and off-site costs.
Total costs	Total cash costs, depreciation and interests, taxes and non-sustaining capital expenditure.

Glossary – Financial Terms

Asset Retirement Obligation

A legal obligation associated with the retirement of a tangible long-lived asset in which the timing or method of settlement may be conditional on a future event, the occurrence of which may not be within the control of the entity burdened by the obligation.

Avnel	Avnel Gold Mining Limited
Bridge Loan	A type of short-term loan, typically taken out for a period of 2 weeks to 3 years pending the arrangement of larger or longer-term financing. It is usually called a bridging loan in the United Kingdom, also known as a “caveat loan” and also known in some applications as a swing loan.

Capital Expenditure	Funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment. Capex is often used to undertake new projects or investments by a company.
Cash	Cash is the most liquid asset a company can possess. Cash includes more than just the physical traditional bills and coins. Cash can include any other currencies, as well as undeposited cheques and amounts in a current account.
Depreciation	An accounting method of allocating the cost of a tangible or physical asset over its useful life or life expectancy. Depreciation represents how much of an asset's value has been used up.
Earnings	The net benefits of a corporation's operation. Earnings is also the amount on which corporate tax is due. For an analysis of specific aspects of corporate operations several more specific terms are used as EBIT and EBITDA. Many alternative terms for earnings are in common use, such as income and profit.
Earnings, Before Interest, Taxation, Depreciation and Amortisation	A company's earnings before interest, taxes, depreciation, and amortization is an accounting measure calculated using a company's earnings, before interest expenses, taxes, depreciation, and amortization are subtracted, as a proxy for a company's current operating profitability.
Equity Value	The value of a company available to owners or shareholders. It is the enterprise value plus all cash and cash equivalents, short and long-term investments, and less all short-term debt, long-term debt and minority interests.
Growth Capital	Capital expenditures allocated for substantive change in production levels or a change in the nature of mining and processing operations.
Interest	Payment from a borrower or deposit-taking financial institution to a lender or depositor of an amount above repayment of the principal sum, at a particular rate.
Market Capitalisation	The total dollar market value of a company's outstanding shares of stock. Commonly referred to as “market cap”, it is calculated by multiplying the total number of a company's outstanding shares by the current market price of one share.
Mine Free Cashflow	The post tax pre-finance cashflows relating to mining operations.
Net (Cash)/Debt	Net debt shows how much cash would remain if all debts were paid off and if a company has enough liquidity to meet its debt obligations. Net debt is calculated by subtracting a company’s total cash and cash equivalents from its total short-term and long-term debt.
Non-Cash	A non-cash item refers to an expense listed on an income statement, such as capital depreciation, investment gains, or losses, that does not involve a cash payment.
Non-Sustaining Capital	All capital expenditures made or to be made other than Sustaining Capital Expenditures.
Operating Expenditure	An operating expense, operating expenditure, operational expense, operational expenditure or opex is an ongoing cost for running a product,

	business, or system. Its counterpart, a capital expenditure, is the cost of developing or providing non-consumable parts for the product or system.
Revolving Credit Facility	A line of credit that is arranged between a bank and a business. It comes with an established maximum amount, and the business can access the funds at any time when needed.
Sustaining Capital	The ongoing (yearly) capital investment that a refinery must make to continue to operate. This includes maintenance capital and investment required to adapt to regulatory changes. It does not include investment for expansion or margin improvement (growth capital).
Taxation	A compulsory financial charge or some other type of levy imposed on a taxpayer (an individual or legal entity) by a governmental organization in order to fund government spending and various public expenditures.
Working Capital	Also known as net working capital ("**NWC**"), is the difference between a company's current assets, such as cash, accounts receivable (customers' unpaid bills), and inventories of raw materials and finished goods, and its current liabilities, such as accounts payable.

Glossary – Terms

A and B-Zone	A deposit at the Golden Hill Advanced Exploration Property.
abrasion index	Quantifies the abrasivity of an ore. The index can be used to calculate metal wear rates in crushers and ball consumption rates in ball mill.
Acidithiobacillus	A genus of the Acidithiobacillia in the "Proteobacteria". The genus includes acidophilic organisms capable of iron and/or sulphur oxidation.
Acidithiobacillus thiooxidans	Formerly known as Thiobacillus thiooxidans until its reclassification into the newly designated genus Acidithiobacillus of the Acidithiobacillia subclass of Proteobacteria, is a Gram-negative, rod-shaped bacterium that uses sulphur as its primary energy source.
Acid Rock Drainage	Acid rock drainage occurs naturally within some environments as part of the rock weathering process but is exacerbated by large-scale earth disturbances characteristic of mining and other large construction activities, usually within rocks containing an abundance of sulphide minerals.
Activated Carbon	A highly adsorbent powdered or granular carbon made usually by carbonization and chemical activation and used chiefly for purifying by adsorption.
Active Water Treatment	Active treatment can be carried out either at a fixed treatment plant or as in-situ treatment. Fixed plant treatment usually requires some pumping in order to gather the water to the treatment plant whereas in-situ treatment is performed in a system within or adjacent to the water body or stream. The pumping cost is typically the central factor in the choice between fixed plant and in-situ treatment.
Admission	The admission of shares in the Company to the premium listing segment of the "**Official List**" of the Financial Conduct Authority and to trading on the Main Market of the London Stock Exchange, market operated by the London Stock Exchange Group plc. SRK also understands that the Company is to be established, via a Scheme of Arrangement pursuant to section 86 of the Cayman

	Companies Act, as the parent company of Endeavour Mining Corporation and that application is also being made for the admission of the Company's shares to listing and trading on the Toronto Stock Exchange.
Advisors	The advisors to the Company in respect of the current Admission.
Advisian	Advisian Group Pty Ltd
Aeromagnetic	An airborne geophysical survey performed using a magnetometer aboard or towed behind an aircraft. A magnetometer is an instrument used to measure the magnetic field. Aeromagnetic surveys are probably one of the most common types of airborne geophysical surveys.
Agbaou Gold Mine	The operating mine disposed by the Company in a transaction with Allied Gold.
Agglomeration	The formation of aggregate by the sticking together of feed and/or recycle materials, and it includes the formation of agglomerate nuclei. The main objective in agglomerating fines being the conversion of ores, minerals and chemicals of undesirable fineness into agglomerates characterised by a size consistency desirable for subsequent use or processing.
airborne survey	A process of measuring the variation of several key physical or geochemical parameters of the earth. The most important parameters measured are conductivity, magnetic susceptibility, rock density, radioactive element concentration, and reflectance spectra.
Air Core Hole	Air Core drilling utilises high-pressure air and dual walled rods to penetrate the ground and return the sample to the surface through the inner tube and then through a sampling system. The ground is cut through with the use of a steel blade type bit. This sample is then collected and analysed.
Albion Process	An atmospheric leaching process for processing zinc concentrate, refractory copper and refractory gold.
Albite	A plagioclase feldspar mineral. It is the sodium endmember of the plagioclase solid solution series. It represents a plagioclase with less than 10% anorthite content.
Allied	Allied Gold Corp.
Alteration	Any change in the mineralogic composition of a rock brought about by physical or chemical means, esp. by the action of hydrothermal solutions; also, a secondary, i.e., supergene, change in a rock or mineral.
Aluminium Stewardship Initiative	
	A global non-profit standards setting and certification organisation which brings together producers, users and stakeholders in the aluminium value chain with a commitment to maximise the contribution of aluminium to a sustainable society and to collaboratively foster responsible production, sourcing and stewardship of aluminium.
Amphibolite	A metamorphic rock that contains amphibole, especially hornblende and actinolite, as well as plagioclase. Amphibolite is a grouping of rocks composed mainly of amphibole and plagioclase feldspar, with little or no quartz.
Andesitic	An extrusive volcanic rock of intermediate composition. In a general sense, it is the intermediate type between basalt and rhyolite. It is fine-grained to porphyritic in texture and is composed predominantly of sodium-rich plagioclase plus pyroxene or hornblende.

Anomaly	An entity or property that differs from what is typical or expected, or which differs from that predicted by a theoretical model. May be the measurement of the difference between an observed or measured value and the expected values of a physical property.
Antea	Antea Group.
Anticline	A type of fold that is an arch-like shape and has its oldest beds at its core, whereas a syncline is the inverse of a anticline.
Antimony	Antimony is a chemical element with the symbol Sb and atomic number 51. A lustrous grey metalloid, it is found in nature mainly as the sulphide mineral stibnite.
Anthropogenic	Human impact on the environment or anthropogenic impact on the environment includes changes to biophysical environments and to ecosystems, biodiversity, and natural resources caused directly or indirectly.
Appendix II	Appendix II – Mining Competent Persons' Report – recommended content.
Aquifer	An underground layer of water-bearing permeable rock, rock fractures or unconsolidated materials (gravel, sand, or silt). Groundwater from aquifers can be extracted using a water well.
Archimedes Method	The buoyant force on a submerged object is equal to the weight of the fluid displaced. This principle is useful for determining the volume and therefore the density of an irregularly shaped object by measuring its mass in air and its effective mass when submerged in water.
Argillaceous	Argillaceous minerals are minerals containing substantial amounts of clay-like components. Argillaceous components are fine-grained aluminosilicates, and more particularly clay minerals such as kaolinite, montmorillonite-smectite, illite, and chlorite. Claystone and shales are thus predominantly argillaceous.
Argillic	Argillic alteration is hydrothermal alteration of wall rock which introduces clay minerals including kaolinite, smectite and illite. The process generally occurs at low temperatures and may occur in atmospheric conditions.
Arisings	Materials forming the secondary or waste products of industrial operations.
Arsenic	A chemical element with the symbol As, and atomic number 33. Arsenic occurs in many minerals, usually in combination with sulphur and metals, but also as a pure elemental crystal. Arsenic is a metalloid.
Arsenopyrite	An iron arsenic sulphide with a chemical composition of FeAsS. It is the most abundant arsenic-bearing mineral and the primary ore of arsenic metal. It is associated with other sulphide minerals in organic-rich sedimentary rocks, metamorphic rocks, and igneous rocks in many parts of the world.
Articulated Dump Truck	A very large heavy-duty type of dump truck used to transport loads over rough terrain, and occasionally on public roads.
Ashanti	Ashanti Goldfields Company Limited
ASTER®	The ASTER process was developed to deliver an improved and integrated water balance for re-use in BIOX applications. This simple technology has proven to be an effective process for degradation of tailings dam water at thiocyanate concentrations up to 4g/l and free cyanide levels as high as 50mg/l.

Atomic Adsorption	Atomic absorption spectrometry ("**AAS**") detects elements in either liquid or solid samples through the application of characteristic wavelengths of electromagnetic radiation from a light source. Individual elements will absorb wavelengths differently, and these absorbances are measured against standards. In effect, AAS takes advantage of the different radiation wavelengths that are absorbed by different atoms.
Auger hole	A hole drilled with power-driven augers.
Aureole	A ring around an igneous intrusion. Deep magma bodies cool very slowly and turn into coarse-grained, plutonic rocks like granite and gabbro. During this time, they bake a zone, or aureole, of contact metamorphism in the country rock.
Availability	Equipment availability is a metric used to measure the percentage of time a machine can be used. It is the amount of time in which a machine actually runs and is available for production. Availability can also be called 'uptime', and it is one of the key metrics that give us insight into our production efficiency. Equipment availability could also be thought of as the probability that a machine is not experiencing any downtime, planned or not.
Avion	Avion Gold Corporation.
Avion Mali West	Avion Mali West Exploration SA.
Axmin JV	A joint venture between Axmin Ltd and SMC which was signed on 30 September 2008.
Azimuth	Direction of a horizontal line as measured on an imaginary horizontal circle, the horizontal direction reckoned clockwise from the meridian plane of the observer, expressed as the angular distance between the vertical plane passing through the point of observation and the poles of the Earth and the vertical plane passing through the observer and the object under observation.
Baniri Permit	An exploration permit comprising in part of the permits associated with the Golden Hill Advanced Exploration Property.
Bantou AEP	The Bantou Advanced Exploration Property
Bantou Permits	The six contiguous permits comprising the Bantou Advanced Exploration Permit.
Bantou 2019 TR	Bantou Project NI 43-101 Technical Report – Mineral Resource Estimate", published on 31 December 2019 by DRA Met-Chem
Barclays	Barclays Bank PLC
Batholith	A large mass of intrusive igneous rock, larger than 100km^2 in area, that forms from cooled magma deep in the Earth's crust. Batholiths are almost always made mostly of felsic or intermediate rock types, such as granite, quartz monzonite, or diorite
bottle roll	The industry standard first step in assessing the gold recovery possible by cyanide leaching. Prepared ore is gently agitated in a cyanide lixiviant or leaching solution. Oxygen levels, alkalinity, acid consumption and other parameters are monitored and strictly controlled throughout the test. Test results provide information on expected recovery rates and reagent costs.
Basal	Located at the bottom of a geologic unit.
Basalt	A general term for dark-coloured mafic igneous rocks, commonly extrusive but locally intrusive (e.g., as dikes), composed chiefly of calcic plagioclase and clinopyroxene; the fine-grained equivalent of gabbro.

Baseline	A baseline study is essential in order to be able to determine the level of impact expected and to enable the monitoring of impacts after the development has occurred.
Barrick	Barrick Gold Corporation
Batter	The inward slope from bottom to top of the face of a wall.
Bay	An open space in a mine for storage of equipment, conducting repairs, or disposal of waste.
Belt	An orogen or orogenic belt develops when a continental plate crumples and is uplifted to form one or more mountain ranges; this involves a series of geological processes collectively called orogenesis.
Berm	A horizontal shelf or ledge built into the embankment or sloping wall of an open pit or quarry to break the continuity of an otherwise long slope and to strengthen its stability or to catch and arrest slide material. A berm may be used as a haulage road or serve as a bench above which material is excavated from a bank or bench face.
Best Available Technology	The available techniques which are the best for preventing or minimising emissions and impacts on the environment.
Bio Permit	One of the six contiguous permits comprising the Bantou Advanced Exploration Property.
Biotite	A name used for a large group of black mica minerals that are commonly found in igneous and metamorphic rocks. These include annite, phlogopite, siderophyllite, fluorophlogopite, fluorannite, eastonite, and many others.
BIOX®	A process developed for the pre-treatment of refractory concentrates ahead of conventional cyanide leaching for gold recovery. As the gold is encapsulated in sulphide minerals such as pyrite and arsenopyrite, the gold is prevented from being leached by cyanide. The BIOX process destroys sulphide minerals and exposes the gold for subsequent cyanidation, thereby increasing the achievable gold recovery.
Birimian Resources	Birimian Resources SARL.
Blanks	A Certified Reference Sample which is confirmed to not contain any of the target compounds which are the target of the assay process.
Block model	The geological block model is the foundation of any mining project as it contains all the grade and material information for the mining deposit.
bomb agglomerates	Agglomerate is a coarse accumulation of large blocks of volcanic material that contains at least 75% bombs.
Boss	Boss Resources Limited.
Boss Minerals	Boss Minerals Pty Ltd.
Bouéré Dohoun Licence	The exploitation licence granted to BDGO in respect of certain deposits relating to the Houndé Gold Mine.
Boungou Gold Mine	An operating gold mine of the Group in which it has a 90% equity interest.
Boungou Licences	The exploitation permit pertaining to the deposits relating to the Boungou Gold Mine.

Boungou 2016 FS	The feasibility study completed in respect of the Boungou Gold Mine in 2016.
Boungou 2016 TR	NI 43-101 Technical Report Natougou Gold Deposit Project Burkina Faso published on 23 March 2016
Bransan Agreement	The agreement relating to the Bransan Lot A exploration permit.
Breccia	A rock composed of broken fragments of minerals or rock cemented together by a fine-grained matrix that can be similar to or different from the composition of the fragments.
Bulking Factor	A factor utilised for conversion of in-situ volumes to a loose volume basis through the process of excavation or drilling and blasting.
Bullion	In the wholesale investment precious metal markets, physical gold is traded in bars of approximately 400oz with a purity of 99.5% or more.
Bund	Any artificial embankment used to control the flow of water in a river or on irrigated land. The term is applied extensively in India to large low dams and dikes and also to the small ridges between rice fields.
Burkina Faso	A landlocked country in West Africa.
CIP carousel	A number of Carbon-in-Pulp leach tanks operating in sequence.
Côte d'Ivoire	Republic of Côte d'Ivoire.
Composite	See drillhole compositing.
CopperMark	A credible assurance framework to demonstrate the copper industry's responsible production practices and industry contribution to the United Nations SDGs.
COVID-19	An infectious disease caused by a newly discovered coronavirus spreads primarily through droplets of saliva or discharge from the nose when an infected person coughs or sneezes.
Capping	In resource estimation the capping of higher-grade outlier assays to a specific value to guard against the excessive influence on the resulting interpolation.
carbon adsorption	The process whereby gold in a cyanide solution is adsorbed onto carbon as a means on future recovery through elution.
carbonaceous	Most sedimentary rocks, including rocks of Precambrian age, contain at least a small amount of organic matter consisting of the preserved residue of plant or animal tissue. Sedimentary rocks containing significant enrichment in organic matter over average sediments are called carbonaceous sedimentary rocks.
Carbonate	A class of sedimentary rocks composed primarily of carbonate minerals. The two major types are limestone, which is composed of calcite or aragonite, and dolomite rock (also known as dolostone), which is composed of mineral dolomite.
Carbon-in-Leach	A process which integrates leaching and carbon-in-pulp into a single unit process operation in which the leach tanks are fitted with carbon retention screens and the carbon-in-pulp tanks are eliminated. The activated carbon is added in leach, with gold adsorption occurring nearly simultaneously with gold dissolution by the cyanide solution. This method is often employed when native carbon (as organics) is present in the gold ore and adsorbs the leached gold, preventing its recovery. The activated carbon used in the carbon-in-leach circuit preferentially adsorbs the gold over the native carbon and allows the gold to eventually be recovered for stripping.

Carbon-in-Pulp	An extraction technique for recovery of gold which has been liberated into a cyanide solution as part of the gold cyanidation process. Introduced in the early 1980s, Carbon in Pulp is regarded as a simple and cheap process. As such it is used in most industrial applications where the presence of competing silver or copper does not prohibit its use.
Carbon regeneration	Regeneration, often referred to as reactivation, is a method of thermally processing the activated carbon to destroy the adsorbed components contained on its surface. In regeneration, the adsorbed components are almost completely removed, yielding a regenerated carbon that can again function as an adsorbent.
Carbon Stripping	In gold processing the "stripping" of gold from loaded carbon "elution" or desorption of gold cyanide at high temperature and pH. Ethanol can also be used to desorb gold from activated carbon, but safety concerns have slowed its acceptance in the gold extraction industry.
Catchment	Catchments are areas of land where runoff collects to a specific zone. This movement is caused by water moving from areas of high energy to low energy due to the influence of gravity.
Category A Project	Business activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.
Category B Project	Business activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.
Caustic Soda	Sodium hydroxide, also known as lye and caustic soda, is an inorganic compound with the formula NaOH. It is a white solid ionic compound consisting of sodium cations Na^+ and hydroxide anions OH^-. Normally introduced as part of the elution process as the electrolyte in gold processing plants.
Cayman	Cayman Islands.
Cenozoic	The Earth's current geological era, representing the last 66Ma of Earth's history. It is characterized by the dominance of mammals, birds and flowering plants, a cooling and drying climate, and the current configuration of continents.
CESR Recommendations	ESMA update of the CESR recommendations: The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive", published on 20 March 2013: specifically paragraphs 131 to 133, section 1b – mineral companies, Appendix I – Acceptable Internationally Recognised Mining Standards, and Appendix II – Mining Competent Persons' Report – recommended content.
Chalcopyrite	A copper iron sulphide mineral and the most abundant copper ore mineral. It has the chemical formula $CuFeS_2$ and crystallizes in the tetragonal system. It has a brassy to golden yellow colour and a hardness of 3.5 to 4 on the Mohs scale.
Chert	A hard, fine-grained sedimentary rock composed of microcrystalline crystals of quartz, the mineral form of silicon dioxide. Chert is characteristically of biological origin but may also occur inorganically as a chemical precipitate or a diagenetic replacement, as in petrified wood.
Chips	Fragments of rocks typically formed through the process of reverse circulation drilling.

Chlorite	A group of common sheet silicate minerals that form during the early stages of metamorphism. Most chlorite minerals are green in colour, have a foliated appearance, perfect cleavage, and an oily to soapy feel. They are found in igneous, metamorphic and sedimentary rocks.
CI-ENERGIES	La Société des Energies de Côte d'Ivoire
CIL Project	The carbon in leach project pertaining to the establishment of the ITY CIL Plant at Ity Gold Mine.
CIM Definition Standards	Provisions adopted by the Canadian Institute of Mining and Metallurgy Definition Standards on Mineral Resources and Reserves.
Clay	An extremely fine-grained natural earthy material composed primarily of hydrous aluminium silicates. It may be a mixture of clay minerals and small amounts of nonclay materials or it may be predominantly one clay mineral.
Coarse Gold	The word "coarse", when applied to gold, is relative and is not uniformly applied. Some operators consider coarse gold to be that which remains on a 10-mesh screen. Others consider individual particles weighing 10 milligrams or more to be coarse gold. Some apply the term "coarse gold" to any particle that is relatively thick as compared to its diameter and can be easily picked up with the fingers.
Comminution	The breaking, crushing, or grinding by mechanical means of ore, for direct use or further processing.
Competent Persons' Report	A Competent Persons' Report within the meaning of the Requirements also defined herein and relating to a technical report which addresses all aspects relating to the disclosure of Mineral Resources and Ore Reserves for Mineral Assets of a mining company.
Compositing	he procedure by which the values of adjacent samples from boreholes are combined so that the value of the longer down-hole intervals can be assessed
Concentrate	A fine, powdery product of the milling process containing a high percentage of valuable metal.
Conglomerate	A coarse-grained clastic sedimentary rock, composed of rounded to subangular fragments larger than 2mm in diameter (granules, pebbles, cobbles, boulders) set in a fine-grained matrix of sand or silt, and commonly cemented by calcium carbonate, iron oxide, silica, or hardened clay; the consolidated equivalent of gravel.
Consent Letter	The consent letter authored by SRK providing its consent to the publication of the CPR in the Prospectus as defined herein.
Copper	Copper is a chemical element with the symbol Cu and atomic number 29. It is a soft, malleable, and ductile metal with very high thermal and electrical conductivity.
counter-current decantation	The principle of Counter Current Decantation is simply that, when water or solution is to act upon solids, both are made to pass, in contact, in opposite directions, so that at each end the strongest or most potent portion of either is acting upon the weakest or most exhausted portion of the other.

Craton	A part of the Earth's crust that has attained stability and has been little deformed for a prolonged period. The term is now restricted to the extensive central areas of the continents.
Crown Pillar	An ore pillar at the top of an open stope left for wall support and protection from wall sloughing above.
Cuirasse	The armour-like crust that forms upon the exposure of a lateritic soil profile.
Cutback	The interim stage development for an open pit as part of the development to the ultimate pit design and typically referenced as a staged pushback or cutback of waste in order to expose deeper ore.
Cut-off grade	The minimum concentration of precious metals below which the processing of said material is deemed to be uneconomic. Typically measured in grammes of gold per tonne or
Cyanide	Usually refers to cyanide solution in circulation in a mill treating gold or silver ores. The stock or solution is of two main types: barren, from which all possible value has been extracted, and 'pregs' or pregnant, which is charged with gold or silver and awaits their removal.
Cyanide Destruction	A process whereby the quantum of cyanide discharged onto a tailings storage facility or stored within the supernatant water of a tailings storage facility is destroyed thereby rendering the cyanide concentration sufficiently low to not have any adverse impact on the immediate environment.
Cyclone	The conical-shaped apparatus used in dust collecting operations and fine grinding applications. In principle, the cyclone varies the speed of air, which determines whether a given particle will drop through force of specific gravity or be carried through friction of the air.
Dam Break Assessments	A dam is simulated under a breach conditions. The simulation begins with the assumption that a breach is initiated and thus progresses during the simulation until all the water in the breach depth reaches the final breach elevation.
Daaplite	Strongly altered and sheared and, at a geological contact, where both lithologies have been affected by phyllic style hydrothermal alteration.
Decline	A sloping underground opening for machine access from level to level or from surface; also called a ramp.
Detrital	Particles of rock derived from pre-existing rock through processes of weathering and erosion. A fragment of detritus is called a clast. Detrital particles can consist of lithic fragments, or of monomineralic fragments.
Diamond Core	The core obtained through the exploration of geological bodies using a diamond drill.
Diamond Drill	A rotary-type drill machine using equipment and tools designed to recover rock samples in the form of cylindrical cores from rocks penetrated by boreholes.
Digby Wells	An international environmental, social and sustainability consultancy.
Dilution	The contamination of ore with barren wall rock in stoping. The assay of the ore after mining is frequently 10% lower than when sampled in place.
Diorite	An intrusive igneous rock composed principally of the silicate minerals plagioclase feldspar, biotite, hornblende, and/or pyroxene. The chemical

	composition of diorite is intermediate, between that of mafic gabbro and felsic granite.
Dip	The angle at which a bed, stratum, or vein is inclined from the horizontal, measured perpendicular to the strike and in the vertical plane.
disseminated sulphides	When a deposit consists almost entirely of sulphides, it is termed 'massive sulphide'. When it consists of clots or patches of sulphides in the country rocks, it is termed 'disseminated'. The proportion of sulphide minerals, and therefore the metal grades, are generally higher in the former.
Dodd-Frank	A United States federal law that was enacted on July 21, 2010. The law overhauled financial regulation in the aftermath of the Great Recession, and it made changes affecting all federal financial regulatory agencies and almost every part of the nation's financial services industry.
Dolerite	A mafic, holocrystalline, subvolcanic rock equivalent to volcanic basalt or plutonic gabbro. Diabase dikes and sills are typically shallow intrusive bodies and often exhibit fine grained to aphanitic chilled margins which may contain tachylyte.
Domain	A distinct region or subregion with similar geological, geotechnical, geomechanically and geometallurgical properties.
Doré	On average, a doré bar contains 50% to 75% pure gold. These bars require further refinement before the metal can be used as raw material for producing gold items. Gold doré bars are therefore neither ore nor bullion, but simply metal bars with a high precious metal content.
Downstream Method	Downstream designs start with an impervious starter dam. Tailings are then discharged into the dam and as the embankment is raised, each new wall is constructed and supported on top of the downstream slope of the previous section, so the dam crest moves downstream with each raise.
Dozer	A large, motorized machine that travels on tracks and is equipped with a metal blade to the front for pushing material: soil, sand, snow, rubble, or rock during construction or conversion work.
Drill and Blast	The controlled use of explosives and other methods such as gas pressure blasting pyrotechnics, to break rock for excavation.
Drill Rig	A drill machine complete with all tools and accessory equipment needed to drill boreholes.
Dump Truck	Off road mining equipment used to haul ore and waste in a mining operation.
Dynikongolo Permit	An exploration permit relating to the Bantou Advanced Exploration Property.
Dyke	A long and relatively thin body of igneous rock that, while in the molten state, intruded a fissure in older rocks.
Dynamic Anisotropy	An estimation method which takes into consideration the local variation of the domain orientation into the block estimation.
Eburnean Orogeny	A series of tectonic, metamorphic and plutonic events in what is now West Africa during the Paleoproterozoic era about 2.2Ga to 2.0Ga. During this period the Birimian domain in West Africa was established and structured.
Echelon	In structural geology, en échelon veins or "en échelon gash fractures" are structures within rock caused by noncoaxial shear. They appear as sets of short, parallel, planar, mineral-filled lenses within a body of a rock.

Effective Date	1 June 2021
Electrolysis	A technique that uses direct electric current to drive an otherwise non-spontaneous chemical reaction. Electrolysis is commercially important as a stage in the separation of elements from naturally occurring sources such as ores using an electrolytic cell.
Electrowinning	The electrodeposition of metals from their ores that have been put in solution via a process commonly referred to as leaching. Electrorefining uses a similar process to remove impurities from a metal.
Elution	The process of extracting one material from another by washing with a solvent; as in washing of loaded ion-exchange resins to remove captured ions.
Endeavour	Endeavour Mining plc.
Endeavour Agreement	The agreement between SRK and the Company governing the process of authoring the CPR as referenced herein.
Endeavour Shares	The ordinary shares of the Company as currently listed on various international stock exchanges.
Endoskarn	Skarns which form within the intrusive body where fracturing, cooling joints, and stockworks have been produced, which results in a permeable area. The permeable area can incorporate material from the carbonate layer.
Environmental and Social Liabilities	All environmental and social liabilities relating to the Operating Properties and the Development Properties defined at the current date or the date of cessation of operations and directly related to mine closure activities. In certain instances, these may be contingent liabilities or have not yet been sufficiently defined to enable monetary quantification of the liability.
Environmental Audit	A type of evaluation intended to identify environmental compliance and management system implementation gaps, along with related corrective actions. In this way they perform an analogous function to financial audits.
Environmental Code	Law 2001-01 of 15 January 2001.
Embankment	Created by the placement and compaction of a complex semi-plastic mound of various compositions of soil, sand, clay, or rock. It has a semi-pervious waterproof natural covering for its surface and a dense, impervious core.
Ephemeral	A water course which only flows in direct reaction to rainfall, and whose channel is always above the water table.
Epidote	A silicate mineral that is commonly found in regionally metamorphosed rocks of low-to-moderate grade. In these rocks, epidote is often associated with amphiboles, feldspars, quartz, and chlorite.
Equator Principles Action Plan	An Action Plan prepared, as a result of the EPFI's due diligence process, to describe and prioritise the actions needed to address any gaps in the Environmental and Social Assessment Documentation, Environmental and Social Management Plans, the Environmental and Social Management System, or Stakeholder Engagement process documentation to bring the Project in line with applicable standards as defined in the Equator Principles.

EU Conflict Free Minerals	On 1 January 2021 a new law will come into full force across the EU – the Conflict Minerals Regulation. It aims to help stem the trade in four minerals – tin, tantalum, tungsten and gold which sometimes finance armed conflict or are mined using forced labour.
Excavator	The term embraces a large number of power-operated digging and loading machines. Variants are the grab, skimmer, trencher, rotary digger, bucket wheel, and grader.
Excise Duties	Indirect taxes on the sale or use of specific products. The revenue from these excise duties goes entirely to the country to which they are paid.
Extraction Ratio	The ratio of material mined in respect of the overall target area and typically allows for local and regional stability pillars.
Exhalative	Deposits originally interpreted to have been formed by discharge of metal-bearing basinal fluids onto the seafloor resulting in the precipitation of mainly stratiform ore, often with thin laminations of sulphide minerals.
Exoskarn	A skarn of igneous origin that occurs at and outside the granite that produced it and is an alteration of wall rock.
Exploration Agreement	The exploration agreement relating to an earlier agreement in respect of the Fetekro Development Property.
Exploration Programme	The exploration programme currently underway at the Group's Mineral Assets for the calendar year 2021.
Facies	A term of wide application, referring to such aspects of rock units as rock type, mode of origin, composition, fossil content, or environment of deposition.
Factor of Safety	A measure used in engineering design to represent how much greater the resisting capacity of a structure or component is relative to an assumed load. With respect to slope stability, FoS is the ratio of shear resistance to driving force along a potential failure plane.
Fakoto Permit	A permit relating to the Bantou Advanced Exploration Property.
Fault	A fracture or a fracture zone in crustal rocks along which there has been displacement of the two sides relative to one another parallel to the fracture.
Feldspar	A group of rock-forming tectosilicate minerals that make up about 41% of the Earth's continental crust by weight. Feldspars crystallize from magma as both intrusive and extrusive igneous rocks and are also present in many types of metamorphic rock.
Felsic	A term that refers to silicate minerals, magmas, and rocks which are enriched in the lighter elements such as silica, oxygen, aluminium, sodium, and potassium.
Ferrooxidans	A major participant in consortia of microorganisms used for the industrial recovery of copper (bioleaching or biomining).
Fetekro CIP Plant	The proposed carbon in pulp process plant considered as part of the development of the Fetekro Development Property.
Fetekro Development Property	A Development Property in which the Group has an 80% equity interest.

Fetekro 2021 FS	The feasibility study in respect of the Fetekro Development Property currently underway.
Fetekro Permit	The principal exploration permit relating to the Fetekro Development Property.
Fetekro 2021 PFS	The pre-feasibility completed in respect of the Fetekro Development Property.
Fetekro 2021 TR	Lafigué Gold Project for the Fetekro Property Pre-Feasibility National Instrument 43-101 Technical Report
Financial Models	The financial models pertaining to the Operating Properties and the Development Properties as defined herein.
Fire Assay	The assaying of metallic ores, usually gold and silver, by methods requiring a furnace heat; commonly involves the processes of scorification, cupellation.
Fixed Delivery Period	In respect of the Sabodala-Massawa Gold Mine on September 25, 2020, the Group and Franco-Nevada Corporation ("**Franco-Nevada**") finalized an amendment to the gold stream arrangement (the "**Stream Agreement**"), in which the Group will deliver 783oz of gold per month beginning September 1, 2020 until 105,750oz of gold have been delivered to Franco-Nevada (the "**Fixed Delivery Period**") in exchange for 20% of the spot price of gold for each ounce of gold delivered.
Flitch	A subdivision of a mined bench in an open pit operation.
Flotation	All processes of concentration in which levitation in water of particles heavier than water was obtained. Thus, if some particles were retained in an oil layer or at the interface between an oil layer and a water layer, the process was spoken of as bulk-oil flotation; if the particles were retained at a free water surface as a layer one particle deep, the process was skin flotation; and if the particles were retained in a foamy layer several inches thick, the process was froth flotation. Froth flotation is the process that has survived the test of time, and the term flotation is now used universally to describe froth flotation.
Fold	A curve or bend of a planar structure such as rock strata, bedding planes, foliation, or cleavage. A fold is usually a product of deformation, although its definition is descriptive and not genetic and may include primary structures.
Foliation	A general term for a planar arrangement of textural or structural features in any type of rock; esp., the planar structure that results from flattening of the constituent grains of a metamorphic rock.
Footwall	The underlying side of a fault, orebody, or mine working; esp. the wall rock beneath an inclined vein or fault.
Fougadian Permit	An exploration permit relating to the Kalana Development Property.
Franco Nevada	A Toronto, Ontario, Canada-based company that owns royalties and streams in gold mining and other commodity and natural resource investments. It is traded on the Toronto Stock Exchange and New York Stock Exchange.
Free dig	Material which can be mined without recourse to drilling and blasting activities or other abrasive/percussive techniques using mechanical mining equipment.
free gold	Gold occurrences which is easily recovered through gravity separation and does not require significant liberation or other mineral processing techniques.
Free milling	Applied to ores that contain free gold or silver and can be reduced by crushing and amalgamation without roasting or other chemical treatment.

Fresh	Said of a rock or rock surface that has not been subjected to or altered by surface weathering, such as a rock newly exposed by fracturing.
Fuel Levy	A levy paid to a regulatory/state authority pertaining to the procurement of fuel for use in generators or mobile mining fleet or other mining related processes.
Fuchsite	Also known as chrome mica, is a chromium rich variety of the mineral muscovite, belonging to the mica group of phyllosilicate minerals.
Full Cost	The full cost pertaining to the mining and processing of ore inclusive of all general and administration costs and other related expenditures.
Gabbro	A phaneritic, mafic intrusive igneous rock formed from the slow cooling of magnesium-rich and iron-rich magma into a holocrystalline mass deep beneath the Earth's surface. Slow-cooling, coarse-grained gabbro is chemically equivalent to rapid-cooling, fine-grained basalt
Galena	An isometric mineral, 4[PbS]; cubic cleavage; forms cubes and octahedra, also coarse- or fine-grained masses; specific gravity, 7.6; occurs with sphalerite in hydrothermal veins, also in sedimentary rocks as replacement deposits; an important source of lead and silver.
gallery forests	Formed as a corridor along rivers or wetlands, projecting into landscapes that are otherwise only sparsely treed such as savannas, grasslands, or deserts. Gallery forests are able to exist where the surrounding landscape does not support forests for a number of reasons.
Geochemical assay surveys	A survey involving the chemical analysis of systematically collected samples of rock, soil, stream sediments, plants, or water; this expression may be further modified by indicating specif. the material sampled, as, for example, geochemical soil survey.
geological mapping	Highly interpretive, scientific process that can produce a range of map products for many different uses, including assessing ground-water quality and contamination risks; predicting earthquake, volcano, and landslide hazards; characterizing energy and mineral resources and their extraction costs.
geophysical survey	A method of collecting information about the physical properties of rocks and sediments. Geophysical methods include radiometric, gravity gradiometry, magnetometers, ground penetrating radar, magnetotellurics and seismic tomography.
Geostat+ 2.0	Statistical software provided by SGS Geological Services
GEOVIA Surpac™	Integrated geology, resource modelling, mine planning and production.
Gensets	A diesel generator is the combination of a diesel engine with an electric generator to generate electrical energy. This is a specific case of engine-generator. A diesel compression-ignition engine is usually designed to run on diesel fuel, but some types are adapted for other liquid fuels or natural gas.
Gold	Gold is a chemical element with the symbol Au and atomic number 79, making it one of the higher atomic number elements that occur naturally. In a pure form, it is a bright, slightly reddish yellow, dense, soft, malleable, and ductile metal. Chemically, gold is a transition metal and a group 11 element. Good conductor of heat and electricity. Used in coinage, jewellery, decoration, dental work, plating, and for coating certain space satellites.

Golden Hill AEP	The Golden Hill Advanced Exploration Property.
Golden Hill Permits	All exploration permits relating to the Advanced Exploration Permit.
Golden Hill 2020 TR	Technical Report on the Golden Hill Project, Burkina Faso NI 43-101 Report.
Golden Star	Golden Star Resources Ltd.
Gold Standard	A system under which nearly all countries fixed the value of their currencies in terms of a specified amount of gold or linked their currency to that of a country which did so.
Good International Industry Practice	The exercise of professional skill, diligence prudence and foresight that would be reasonably expected from skilled and experienced professionals engaged in the same type of undertaking in the same or similar circumstances globally. The circumstances that skilled and experienced professionals may find when evaluating the range of pollution prevention and control techniques available to a project, may include but are not limited to, varying levels of environmental degradation and environmental assimilative capacity as well as varying levels of financial and technical feasibility.
Grade Control Drilling	Drilling conducted to secure geological and assay data to inform the grade control process which is used to drive short term planning, mining selectivity, mine to mill reconciliation and other related processes.
Grader	A self-propelled or towed machine provided with a row of removing or digging teeth and (behind) a blade to spread and level the material.
Granodiorite	A phaneritic-textured intrusive igneous rock similar to granite but containing more plagioclase feldspar than orthoclase feldspar. Granodiorite has a greater than 20% quartz by volume, and between 65% to 90% of the feldspar is plagioclase.
Gravels	A popular term for a loose accumulation of rock fragments, such as a detrital sediment associated esp. with streams or beaches, composed predominantly of more or less rounded pebbles and small stones, and mixed with sand that may compose 50% to 70% of the total mass.
Gravity Circuit	Separation of mineral particles, with the aid of water or air, according to the differences in their specific gravities.
Greenstone	A field term applied to any compact dark-green altered or metamorphosed basic igneous rock (e.g., spilite, basalt, gabbro, diabase) that owes its colour to the presence of chlorite, actinolite, or epidote.
Greywacke	A variety of sandstone generally characterized by its hardness, dark colour, and poorly sorted angular grains of quartz, feldspar, and small rock fragments or lithic fragments set in a compact, clay-fine matrix. It is a texturally immature sedimentary rock generally found in Paleozoic strata.
Grinding	The process of erosion by which rock fragments are worn down, crushed, sharpened, or polished through the frictional effect of continued contact and pressure by larger fragments.
Grizzly	A device comprised of fixed or moving bars, disks, or shaped tumblers or rollers for the coarse screening or scalping of bulk materials.; gravity-bar screen.
Ground Zero	A mine closure objective whereby the affected area is returned to its pre-mining status or as close as practically possible.

Group	The Group of companies comprising all subsidiaries and joint ventures in which the Company has an equity interest.
Gryphon	Gryphon Minerals Burkina Faso SARL.
Guinea	Republic of Guinea.
Hangingwall	The overlying side of an orebody, fault, or mine working, esp. the wall rock above an inclined vein or fault.
Harmattan	A season in West Africa, which occurs between the end of November and the middle of March. It is characterized by the dry and dusty north-easterly trade wind, of the same name, which blows from the Sahara Desert over West Africa into the Gulf of Guinea.
Heap Leach Facility	A process used for the recovery of copper, uranium, and precious metals from weathered low-grade ore. The crushed material is laid on a slightly sloping, impervious pad and uniformly leached by the percolation of the leach liquor trickling through the beds by gravity to ponds. The metals are recovered by conventional methods from the solution.
HGP 2013 TR	Houndé Gold Project – Burkina Faso, Feasibility Study NI 43-101 Technical Report" published by Lycopodium in November 2013.
HGP 2020 TR	Updated HGP 2013 TR.
Hinge	The locus of maximum curvature or bending in a folded surface, usually a line.
Houndé CIL Plant	The carbon in leach process plant at the Houndé Gold Mine.
Houndé Gold Mine	An operating gold mine of the Group in which it has a 90% equity interest.
Houndé Licence	The exploitation licence which governs the deposits related to the Houndé Gold Mine.
Houndé Power Plant	The proposed solar power plant to be constructed at Houndé Gold Mine.
Houndé TSF	The tailings storage facility in operation at Houndé Gold Mine.
Hydraulic testing	A process whereby hydraulic pumping tests are conducted to determine the hydraulic parameters to characterise groundwater flow and bodies.
Hydrogeology	The area of geology that deals with the distribution and movement of groundwater in the soil and rocks of the Earth's crust (commonly in aquifers).
hydrochloric acid	An aqueous solution of hydrogen chloride.
Hydrology	The science that encompasses the study of water on the Earth's surface and beneath the surface of the Earth, the occurrence and movement of water, the physical and chemical properties of water, and its relationship with the living and material components of the environment.
Hydrocyclones	A simple piece of equipment that uses fluid pressure to generate centrifugal force and a flow pattern which can separate particles or droplets from a liquid medium. These particles or droplets must have a sufficiently different density relative to the medium in order to achieve separation.
Hydrothermal	Accumulations of valuable minerals which formed from hot waters circulating in Earth's crust through fractures. They eventually create rich-metallic fluids concentrated in a selected volume of rock, which become supersaturated and then precipitate ore minerals.

Hypogene	Hypogene processes occur deep below the earth's surface, and tend to form deposits of primary minerals, as opposed to supergene processes that occur at or near the surface and tend to form secondary minerals.
Induced Polarization	The production of a double layer of charge at a mineral interface, or production of changes in double-layer density of charge, brought about by application of an electric or magnetic field (induced electrical or magnetic polarization). Induced electrical polarization is manifested either by a decay of voltage in the Earth following the cessation of an excitation current pulse, or by a frequency dependence of the apparent resistivity of the Earth.
Intiédougou Permit	An exploration permit assigned to the Golden Hill Advanced Exploration Permit.
Interpolation	The process of distributing estimates of qualities or concentrations of minerals/metals within a 2D or 3D model.
Intrusion	Igneous intrusions form when magma cools and solidifies before it reaches the surface.
Intrusive	Formed when magma penetrates existing rock, crystallizes, and solidifies underground to form intrusions, such as batholiths, dikes, sills, laccoliths, and volcanic necks.
Iron	A chemical element with symbol Fe and atomic number 26. It is a metal that belongs to the first transition series and group 8 of the periodic table. By mass, the most common element on Earth, right in front of oxygen, forming much of Earth’s outer and inner core.
Isatis	A geostatistical software package marketed by Geovariances.
Ity 2016 ESIA	The environmental and social impact assessment completed for the Ity Gold Mine in 2016.
Ity CIL Plant	The carbon in leach process plant servicing the Ity Gold Mine.
Ity Gold Mine	The Operating Property in which the Group has a range of 85% to 90% equity interest in the deposits comprising the Ity Gold Mine.
Ity Gold Mine CIL FS	The feasibility study completed for the Ity Gold Mine carbon in leach project.
Ity Gold Mine OS	An optimisation study completed for the Ity Gold Mine.
Ity Holdings	the Group’s subsidiary which holds the Group’s interests in the Ity Gold Mine.
Ity TSF	The tailings storage facility servicing the Ity Gold Mine.
Jackhammer Hill	A deposit associated with the Golden Hill Advanced Exploration Property.
Jaw Crusher	A compression type crusher, comprised of a fixed jaw and moving jaw positioned in a (V). The movable jaw compresses material against the fixed jaw, crushing the material to the desired size. The material exits the jaw through the bottom of the crusher otherwise, known as the discharge opening.
Joint	A divisional plane or surface that divides a rock and along which there has been no visible movement parallel to the plane or surface.
Jones-type riffle splitter	A sampling mechanism designed to reduce a bulk sample of semi-dry material to a convenient representative size for further preparation and laboratory analysis.
JORC Code	The 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves

	Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.
Jumbo	A drill carriage or mobile scaffold on which several drills of drifter type are mounted. It is used in tunnels and large headings.
Kalako West Permit	An exploration permit relating to the Kalana Development Property.
Kalana CIL Plant	The proposed carbon in leach process plant associated with the Kalana Development Property.
Kalana Development Property	
	A development property of the Group in which it has a 80% equity interest.
Kalana 2021 FS	A feasibility study completed in respect of the Kalana Development Property in 2021.
Kalana Licence	The exploitation licence relating to the deposits associated with the Karma Gold Mine.
Kalana 2021 TR	Kalana Gold Project Pre-Feasibility National Instrument 43-101 Technical Report
Karma Gold Mine	An operating gold mine of the Group in which it has a 90% equity interest.
Karma Licence	The exploitation licence relating to the deposits associated with the Karma Gold Mine.
Kelesso Permit	An exploration permit relating to the Bantou Advanced Exploration Property.
Komatiitic	A type of ultramafic mantle-derived volcanic rock defined as having crystallised from a lava of at least 18wt% MgO. Komatiites have low silicon, potassium and aluminium, and high to extremely high magnesium content.
Kondagou Permit	An exploration permit relating to the Nabanga Advanced Exploration Property.
Koulsonde Permit	An exploration permit relating to the Nabanga Advanced Exploration Property.
La Mancha	La Mancha Holding S.à r.l.
Land & Marine	Land & Marine Geological Services (Australia) Pty Ltd
Landsat imagery	Moderate spatial-resolution (30m) imagery that provides large areas of repeated data coverage at a scale that enables users to see detailed human-scale processes, such as urbanization, but not individual houses.
Lapilli	Lapilli is a size classification of tephra, which is material that falls out of the air during a volcanic eruption or during some meteorite impacts.
Laterites	A soil and a rock type rich in iron and aluminium and is commonly considered to have formed in hot and wet tropical areas. Nearly all laterites are of rusty-red coloration, because of high iron oxide content. They develop by intensive and prolonged weathering of the underlying parent rock.
Leucogranite	A light-coloured, granitic, igneous rock with almost no dark minerals. Alaskite is a synonym. Leucogranites have been reported from a variety of orogenies involving continental collisions.
Le Plaque PFS	Le Plaque Pre-Feasibility Study
Leptospirillum ferrooxidans	
	A genus of iron-oxidizing bacteria which play an important role in industrial bioleaching (the conversion of metals to a soluble form) and bio oxidation (the extraction of metals).
Listing Rules	The Listing Rules published by the FCA from time to time and under Part VI of

	the Financial Services and Markets Act 2000 of the United Kingdom.
Lithostratigraphic	A sub-discipline of stratigraphy, the geological science associated with the study of strata or rock layers. Major focuses include geochronology, comparative geology, and petrology. In general, strata are primarily igneous or sedimentary relating to how the rock was formed.
LMCI	La Mancha Côte d'Ivoire SARL
LM Group	La Mancha Group
Leach Kinetics	The study of the dissolution of gold in a cyanide leaching process.
Leachwell	An assay process which facilitates fast cyanide leach gold assaying within 1 hour comparted to a typical 24-hour bottle roll assays.
Leapfrog GEO	Geological modelling software as marketed by Seequent Limited
Liberia	Republic of Liberia
Limb	That area of a fold between adjacent fold hinges. It generally has a greater radius of curvature than the hinge region and may be planar.
Lithology	A description of its physical characteristics visible at outcrop, in hand or core samples, or with low magnification microscopy. Physical characteristics include colour, texture, grain size, and composition.
Load and Haul	The process of loading trucks using an excavator and hauling ore and/or waste by mine trucks in an open pit mining operations.
Loader	A mechanical shovel or other machine for loading coal, ore, mineral, or rock. scraper loader; shaker-shovel loader; shovel loader; cutter loader; gathering arm loader.
Lode	A mineral deposit consisting of a zone of veins, veinlets, disseminations, or planar breccias; a mineral deposit in consolidated rock as opposed to a placer deposit.
LoMp Scenario	The current LoMp Scenario as defined for the Operating Properties and the Development Properties in this CPR and limited to depletion of the Ore Reserves reported at 31 December 2020.
Long Hole Stoping	Long hole stoping is a highly selective and productive method of mining and can cater for varying ore thicknesses and dips (0° to 90°). It differs from manual methods such as timbered and shrinkage as once the stope has begun blasting phase it cannot be accessed by personnel. For this reason, the blasted rock is designed to fall into a supported draw point or removed with remote control LHD (load, haul, dump machine)
London Bullion Market Association	
	The international trade association representing the global Over The Counter bullion market. It has a membership of approximately 150 firms globally, including traders, refiners, producers, miners, fabricators, as well as those providing storage and secure carrier services.
Longitudinal	A branch of the generic mining method known as sublevel stoping. For longitudinal retreat the long axis of the stope is along (or parallel) to the strike of the orebody. It may also be referred to as bench stoping or sublevel benching.
Losses	Mining losses incurred through the process of design and ultimate extraction in either an underground or open pit mine.

Mafic	A silicate mineral or igneous rock rich in magnesium and iron. Most mafic minerals are dark in colour, and common rock-forming mafic minerals include olivine, pyroxene, amphibole, and biotite. Common mafic rocks include basalt, diabase and gabbro.
Magnetite	A mineral and one of the main iron ores, with the chemical formula Fe_3O_4. It is one of the oxides of iron and is ferrimagnetic; it is attracted to a magnet and can be magnetized to become a permanent magnet itself. It is the most magnetic of all the naturally occurring minerals on Earth.
Magnetometric surveys	An exploration technique utilised to define magnetic anomalies which represent ore (direct detection), or in some cases gangue minerals associated with ore deposits (indirect or inferential detection).
Main Market	The Main Market of the London Stock Exchange, market operated by the London Stock Exchange Group plc.
Mali	Republic of Mali.
Mana 2005 FS	A feasibility study completed in respect of Mana Gold Mine in 2005.
Mana 2017 43-101	Mana Property, Burkina Faso NI-43-101 Technical Report Disclosing the results of the Siou underground Pre-feasibility Study" published on 31 December 2017
Mana 2006 EIS	An environmental impact statement completed in respect of Mana Gold Mine in 2006.
Mana 2021 43-101	Pre-Feasibility Study on the Mana Gold Mine – Wona underground, Republic of Burkina Faso" published on 15 March 2021
Mana CIL Plant	The carbon-in-leach processing plant at Mana Gold Mine.
Mana Gold Mine	An operating gold mine of the Group in which it has a 90% equity interest.
Mana Licence	The exploitation licence pertaining to the deposits of the Mana Gold Mine.
Mana Mineral	Mana Mineral S.A.
Marble	A metamorphic rock composed of recrystallized carbonate minerals, most commonly calcite or dolomite.
Massawa License	The exploitation licence pertaining to the Massawa deposits comprising Sabodala-Massawa Gold Mine.
Massawa Waiver	Pursuant to the completion of the acquisition of Massawa, SGO was required to make an initial payment totalling US$15m related to the waiver of the right for the GoS to acquire an additional equity interest in the exploitation of the Massawa deposits. An additional payment will become due when the actual cumulative production from the Massawa deposits, net of GoS royalties, multiplied by SGO's weighted average gold prices and by 1%, exceeds the initial payment.
Ma Structural Complex	A deposit relating to the Golden Hill Advanced Exploration Property.
Maverix Metals	Maverix Metals Inc
Mesothermal	A mineral deposit formed at moderate temperature and pressure, in and along fissures or other openings in rocks, by deposition at intermediate depths, from hydrothermal fluids. Mesothermal deposits are believed to have formed mostly between 175°C and 300°C at depths of 1,220m to 3,660m.

Metabasalts	An amphibolite produced from a basalt by metamorphism.
meta-siltstone	A siltstone that has undergone metamorphism to some degree.
Metal Leaching	Acid in acid rock drainage can leach metals from surrounding rocks causing drainage that has high amounts of dissolved metals (such as iron, aluminium, copper, lead, silver, zinc). This is called metal leaching. Other metals can also be leached from reactions in non-acidic drainage (such as selenium, zinc, molybdenum, nickel, arsenic and antimony).
Metamorphic	Metamorphic rocks arise from the transformation of existing rock to new types of rock, in a process called metamorphism. The original rock is subjected to temperatures greater than 150°C to 200°C and, often, elevated pressure, causing profound physical or chemical changes.
Metavolcanic	A type of metamorphic rock. Such a rock was first produced by a volcano, either as lava or tephra. Then, the rock was buried underneath subsequent rock and was subjected to high pressures and temperatures, causing the rock to recrystallise.
Microdiorite	A medium-grained igneous rock characterized by the mineral assemblage and chemical composition of diorite.
micro filtration	A type of filtration physical process where a contaminated fluid is passed through a special pore-sized membrane to separate microorganisms and suspended particles from process liquid.
Micromine	Exploration, modelling and 3D mien design software.
Mill Feed COG	The cut-off-grade applied to diluted material delivered to the mill which covers the full cost of overhaul, processing and G&A related expenditures.
Mine Closure	The period of time when the ore-extracting activities of a mine have ceased, and final decommissioning and mine reclamation are being completed.
MineNet	MineNet Consulting Limited
Mine ventilation	The process of supplying sufficient fresh air to the u/g workings to achieve these purposes, ensuring proper distribution & use of the air, and controlling the return to surface of contaminated air.
Minimum Mining Width	The minimum mining width which can be mined in accordance with the chosen mining method and associated equipment.
Mylonite	A fine-grained, compact metamorphic rock produced by dynamic recrystallization of the constituent minerals resulting in a reduction of the grain size of the rock. Mylonites can have many different mineralogical compositions; it is a classification based on the textural appearance of the rock.
Wireframe	A visual representation of a three-dimensional physical object used in 3D computer graphics.
Marginal Cost	The marginal cost of processing ore economically which normally covers the cost of processing and a portion or all of the associated general and
Mineral Assets	The Operating Properties, the Development Properties and the Advanced Exploration Property.
Mineralisation	The process or processes by which a mineral or minerals are introduced into a rock, resulting in a valuable or potentially valuable deposit. It is a general term,

	incorporating various types; e.g., fissure filling, impregnation, and replacement.
Mineral processing	Art of treating crude ores and mineral products in order to separate the valuable minerals from the waste rock, or gangue. It is the first process that most ores undergo after mining in order to provide a more concentrated material for the procedures of extractive metallurgy.
Mining geotechnics	Mining geotechnical engineers in mining perform engineering, hydrological and geological tests and analyses to improve the safety and efficiency of mineral operations. They oversee the collection of samples and the taking of measurements using geotechnical investigation methods and techniques. They model the mechanical behaviour of the rock mass and contribute to the design of the mine geometry.
Monzonite	An igneous intrusive rock formed by slow cooling of underground magma that has a moderate silica content and is enriched in alkali metal oxides.
Moungué Permit	An exploration permit relating to the Golden Hill Advanced Exploration Property.
Mt Isa	Mt Isa Metals Limited
Mudstone	A fine-grained clastic sedimentary rock that is not laminated or fissile. Most definitions also include a requirement that the rock contain significant amounts of both silt- and clay-sized grains.
Nabanga AEP	The Nabanga Advanced Exploration Property
Nabanga Permit	The primary exploration permit relating to the Nabanga Advanced Exploration Property.
Nabanga Project Permits	The Koulsonde Permit, the Kondagou Permit, and the recently applied for Soudoubila Permit.
Nabanga 2019 TR	Nabanga Project NI 43-101 Technical Report – Preliminary Economic Assessment", published on 14 November 2019 by DRA Met-Chem
Nahiri	A deposit relating to the Golden Hill Advanced Exploration Property.
Nearest Neighbour	The nearest neighbour method assigns grade values to blocks from the nearest sample point to the block. Closest sample gets a weight of one; all others get a weight of zero.
Neoproterozoic	The unit of geologic time from 1.0Ga to 541Ma. It is the last era of the Precambrian Supereon and the Proterozoic Eon; it is subdivided into the Tonian, Cryogenian, and Ediacaran Periods.
New TSF	The New TSF relating to the Kalana Development Property.
Niawé Permit	An exploration permit relating to the Bantou Advanced Exploration Property.
Niger	Republic of the Niger.
Nugget Effect	A geostatistical term used to describe the variability seen between samples that are closely spaced. The geological nugget effect is attributed to the heterogeneous distribution of grain sizes, grades and small to large scale structures inherent in these deposits.
OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas	Detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices.

Official List	The Official List of the Financial Conduct Authority.
OJVG Waiver	In respect of the Sabodala-Massawa Gold Mine the waiver whereby recovered gold (88.03%) from the Masato, Golouma West, Kerekounda, Maki Medina, Niakafiri SE (17%) and Goumbati West are subject to a 1% payment of post government (95%) royalty ounces.
Ongoing Payment	The Group was obligated to deliver 100kozAu (20kozAu per annum) to Franco-Nevada Corporation and Sandstorm Gold Inc. (together the "**Syndicate**") over a five-year period in exchange for 20% of the spot price of gold for each ounce of gold delivered (the "**Ongoing Payment**"). The amount that was previously advanced for this agreement of US$100.0m is reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment.
Open pit	An excavation constructed as part of mining surface or near surface ore deposits.
Optimised shell	The constraining volume or shape derived through preliminary application of optimisation techniques in open-pit mining given limitations for waste removal and other economic considerations,
Orbis Gold	Orbis Gold Limited.
Ore Differential	The differential ore mining costs when compared with a base reference of waste mining and typically including elements such as grade control and overhauling.
organic foulants	The collection of carbon-based material on a filtration membrane or in a process route.
Orogeny	The process by which structures within fold-belt mountainous areas were formed, including thrusting, folding, and faulting in the outer and higher layers, and plastic folding, metamorphism, and plutonism in the inner and deeper layers.
Oromin	Oromin Explorations Ltd.
Outcrop	The part of a geologic formation or structure that appears at the surface of the Earth; also, bedrock that is covered only by surficial deposits such as alluvium. Outcropping.
Oxidised	Metalliferous minerals altered by weathering and the action of surface waters, and converted, partly or wholly, into oxides, carbonates, or sulphates. These compounds are characteristic of metalliferous deposits at the surface and often to a considerable depth.
P80	The 80% passing size of the circuit feed, and P80 is the 80% passing size of the circuit product, in microns.
Paddock	A section or cell of a ring dyke design for a tailings storage facility.
Paleoproterozoic	The time period from 2.5Ga to 1.6Ga, is the first of the three sub-divisions (eras) of the Proterozoic Eon. The Paleoproterozoic is also the longest era of the Earth's geological history. It was during this era that the continents first stabilised.
Parent Block	The largest block size in a block model into which the principal concentrations are interpolated.
Passive Water Treatment	Systems that do not require the ongoing addition of chemical reagents to conduct treatment. As a result these systems have low running and maintenance costs and are considered as long term treatment options.

Pebble Crusher	Once a critical size has been established in a primary mill, an efficient means of extracting it, crushing it and returning the crushed product to the primary mill has to be designed. In some plants, crushed pebbles are advanced in part to secondary grinding.
Peksou/C-Zone	A deposit pertaining to the Golden Hill Advanced Exploration Property.
Pelagic	Deposit found in deep water far from shore and may be predominantly either organic or inorganic in origin.
Pelitic	Said of a metamorphic rock derived from a pelite; e.g., a pelitic hornfels or a pelitic schist, derived by metamorphism of an argillaceous or a fine-grained aluminous sediment.
Phyllite	Metamorphic rock, intermediate in grade between slate and mica schist.
Pillar	A block of ore entirely surrounded by stoping, left intentionally for purposes for ground control or on account of low value.
Pit Wall	The temporary, staged or ultimate pit wall or pit slope formed in open-pit mining.
Pluton	A body of intrusive igneous rock (also called plutonic rock) that is crystallized from magma slowly cooling below the surface of the Earth.
Plutonism	The formation of intrusive igneous rocks by solidification of magma beneath the earth's surface.
Pore water pressure	The pressure of groundwater held within a soil or rock, in gaps between particles.
Porphyry	An igneous rock of any composition that contains conspicuous phenocrysts in a fine-grained groundmass; a porphyritic igneous rock.
Portal	The surface entrance to a drift, tunnel, adit, or entry.
Potable Water	Water that is suitable for human consumption.
Pulp	Pulverized ore mixed with water but also applied to also applied to dry, crushed ore.
Precipitation	The process by which a substance is separated out from a solution as a solid/
Pregnant Solution	A solution which contains dissolved precious metals in a pregnant solution.
Primary Crushing	Primary crushing is the first stage of material reduction and can sometimes be the only stage needed to generate the desired product.
Primary Ore	Ore that has remained practically unchanged from the time of original formation.
Prospectus	The prospectus issued in connection with the admission of shares in the Company to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the Main Market of the London Stock Exchange.
Prospectus Regulation Rules	The Prospectus Regulation Rules published by the FCA from time to time and under Part VI of the Financial Services and Markets Act 2000 of the United Kingdom.
Publication Date	9 June 2021.
Pushback	An area that can be mined in a single continuous operation as defined within the. Ultimate Pit. The basic objective is to create a pushback shape which attempts to meet defined primary targets, such as. ore tonnage, stripping ratios or mined grade.

Pyrite	An iron sulphide with the chemical formula FeS_2. Usually found associated with other sulphides or oxides in quartz veins, sedimentary rock, and metamorphic rock.
Pyroclastic	Produced by explosive or aerial ejection of ash, fragments, and glassy material from a volcanic vent. Applied to the rocks and rock layers as well as to the textures so formed.
Pyrrhotite	An iron sulphide mineral in mafic igneous rocks, contact metamorphic deposits, high-temperature veins, and granite pegmatites.
Quartz	A chemical compound silicon dioxide (SiO_2). It is the most abundant mineral found at Earth's surface, and its unique properties make it one of the most useful natural substances.
Ramp	An incline connecting two levels in an open pit or underground mine.
Radiometric	A geophysical process used to estimate concentrations of the radioelements potassium, uranium and thorium by measuring the gamma-rays which the radioactive isotopes of these elements emit during radioactive decay.
Randgold	Randgold Resources Limited.
Raw water	Water found in the environment that has not been treated and does not have any of its minerals, ions, particles, bacteria, or parasites removed. Raw water includes rainwater, ground water, water from infiltration wells, and water from bodies like lakes and rivers.
Reagent	Chemical substances used to produce a desired chemical reaction in the processing of ores.
Realisation	The activities expenditures associated with the transportation and refining of products
Recipients	The recipients in respect of the Endeavour Agreement.
ReCYN Project	A processing technique based on an innovative resin-bead absorbent and developed to recover cyanide from gold process plant effluents.
Refractory	An ore from which it is difficult or expensive to recover its valuable constituents. Typically, in gold processing this relates to ore types from which the gold is not readily amenable to direct cyanidation subsequent to standard milling processes.
Regolith	The layer of broken and unconsolidated rock and soil material that forms the surface of the land and covers the bedrock nearly everywhere.
Requirements	Collectively the Prospectus Regulation Rules, the Listing Rules, the UK Prospectus Regulation and the CESR Recommendations.
Responsible Jewellery Council	The world's leading standard setting organisation for the jewellery and watch industry.
Resolute	Resolute (West Africa) Ltd.
Reverse Circulation	A method of drilling which uses dual wall drill rods that consist of an outer drill rod with an inner tube. These hollow inner tubes allow the drill cuttings to be transported back to the surface in a continuous, steady flow.
Rheology	A branch of physics, and it is the science that deals with the deformation and flow of materials, both solids and liquids.

Rhyodacite	A volcanic rock intermediate in composition between dacite and rhyolite. It is the extrusive equivalent of those plutonic rocks that are intermediate in composition between monzogranite and granodiorite.
Rhyolite	A group of extrusive igneous rocks, typically porphyritic and commonly exhibiting flow texture, with phenocrysts of quartz and alkali feldspar in a glassy to cryptocrystalline groundmass.
rip-rap material	Rock or other material used to protect structures against scour and water or wave erosion.
Riffle Splitter	A device designed to reduce a sample of ore to half its original size.
Riparian	Relating to or situated on the banks of a river or to wetlands adjacent to rivers and streams.
Riverstone Karma	Riverstone Karma SA.
Rougher	Flotation cells in which the bulk of the gangue is removed from the ore.
Run-of-Mine	The raw unprocessed or uncrushed material in its natural state obtained after blasting or digging or dredging from mineralised zone of mining lease area.
Sabodala Licence	The exploitation licence pertaining to the Sabodala deposits of the Sabodala-Massawa Gold Mine.
Sabodala-Massawa Gold Mine	An operating gold mine of the Group in which it has a 90% equity interest.
SAG Mill	Autogenous mills that also use grinding balls like a ball mill. A SAG mill is usually a primary or first stage grinder which use a ball charge of 8 to 21%.
Sandstone	A sedimentary rock composed of sand-size grains of mineral, rock, or organic material. It also contains a cementing material that binds the sand grains together and may contain a matrix of silt- or clay-size particles that occupy the spaces between the sand grains.
Sandstorm	Sandstorm Gold Ltd.
Saprolite	A chemically weathered rock. Saprolites form in the lower zones of soil profiles and represent deep weathering of the bedrock surface. In most outcrops its colour comes from ferric compounds. Deeply weathered profiles are widespread on the continental landmasses between latitudes 35°N and 35°S.
Saprock	Fractured bedrock with weathering restricted to fracture margins.
Sarama	Sarama Resources Ltd.
Sarama JV	Sarama Joint Venture.
Sarama JV Mining SARL	
Savannah	A mixed woodland-grassland ecosystem characterised by the trees being sufficiently widely spaced so that the canopy does not close. The open canopy allows sufficient light to reach the ground to support an unbroken herbaceous layer consisting primarily of grasses.
Savary	Savary Gold Corp.
Scavenger	In flotation, a rougher cell in which the tailings, before being rejected as waste, are subjected to a scavenging flotation treatment.
Scheelite	A calcium tungstate mineral and an important ore of tungsten (wolfram).

Sedimentary	Formed by the deposition of sediment (e.g., a sedimentary clay), or pertaining to the process of sedimentation.
Seepage	The slow escape of a liquid through porous material or holes in a lined storage facility or process plant.
Sericite	A white, fine-grained potassium mica occurring in small scales as an alteration product of various aluminosilicate minerals, having a silky lustre, and found in various metamorphic rocks.
Scheme of Arrangement	The process by which the new Company Endeavour Mining plc is to be established.
Schistosity	The foliation in schist or other coarse-grained, crystalline rock due to the parallel, planar arrangement of mineral grains of the platy, prismatic, or ellipsoidal types, usually mica.
Scope 1 emissions	Direct greenhouse gas emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles).
Scope 2 emissions	Indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organization's greenhouse gas inventory because they are a result of the organization's energy use.
Scope 3 emissions	The result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.
Secondary Crushing	The crushing stage, either single or multiple, which follows immediately after the primary crusher, taking all or a portion of the product of the primary crushing stage as its feed.
Sediment Pond	An earthen or concrete structure using sedimentation to remove settleable matter and turbidity from wastewater. The basins are used to control water pollution.
Semafo	SEMAFO Inc
Semafo Barbados	Semafo (Barbados) Limited
Semafo BF	Semafo Burkina Faso S.A
Semafo SA	Semafo Boungou SA
Semafo deposits	The deposits acquired as part of the Semafo Acquisition.
Semi-autogenous grinding	Autogenous mills that also use grinding balls like a ball mill where attrition between grinding balls and ore particles causes grinding of finer particles.
Senegal	Republic of Senegal
Serakoro 1 Permit	An exploration permit pertaining to the Bantou Advanced Exploration Property.
Shale	A fine-grained detrital sedimentary rock, formed by the consolidation (esp. by compression) of clay, silt, or mud.
Shaft No. 2 TSF	A TSF relating to the Kalana Development Property.
Shear	A deformation resulting from stresses that cause or tend to cause contiguous parts of a body to slide relatively to each other in a direction parallel to their plane

	of contact. It is the mode of failure of a body or mass whereby the portion of the mass on one side of a plane or surface slides past the portion on the opposite side.
Sill	A concordant sheet of igneous rock lying nearly horizontal.
Siou 2017 PFS	The pre-feasibility study completed in respect of the Siou underground mine in 2017.
Siltstone	An indurated silt having the texture and composition of shale but lacking its fine lamination or fissility; a massive mudstone in which the silt predominates over clay.
Silver	A white metallic element that is very ductile and malleable. Symbol, Ag. Occurs native and in ores such as argentite and horn silver; lead, lead-zinc, copper, gold, and copper-nickel ores are its principal sources. Used for jewellery, photography, dental alloys, and coinage.
Sink Rate	A measurement of the rate of deepening of an open pit measured in metres per annum.
Sinistral	Left-lateral fault.
Skarn	Name for the metamorphic rocks surrounding an igneous intrusive where it comes in contact with a limestone or dolostone formation.
Slurry	A mixture of solids denser than water suspended in liquid, usually water. The most common use of slurry is as a means of transporting solids.
SM CIL Plant	The Sabodala Massawa Carbon in Leach Plant
SMD Licence	The exploitation licence relating to certain deposits of the Ity Gold Mine.
SMF Licence	The exploitation licence relating to certain deposits of the Ity Gold Mine.
SMI Licence	The exploitation licence relating to certain deposits of the Ity Gold Mine, specifically the Le Plaque deposit.
SM ROT Plant	The Sabodala Massawa Refractory Ore Treatment Plant.
SODEMI	Société pour le Développement Minier de la Côte d'Ivoire.
Soudoubila Permit	An exploration permit relating to the Nabanga Advanced Exploration Property.
Sphalerite	A zinc sulphide mineral; the most common ore mineral of zinc.
Spillway	A structure used to provide the controlled release of water from a tailings storage facility.
S&P Global	The parent company of various subsidiaries who provide financial information and analytics.
S&P Global Poll	The periodic poll of consensus market forecasts compiled by S&P Global.
SRK Adjustments	The adjustments incorporated by SRK in reviewing the technical information provided by the Company.
SRK Group	The international consulting practices comprising the SRK Group of companies.
Standards	A standard reference sample of known concentration to assess the accuracy of a laboratory sampling process.
Sterilisation	The process by which a defined area is drilled to eliminate the presence of economic mineralisation.
Stockwork	A mineral deposit consisting of a three-dimensional network of planar to irregular veinlets closely enough spaced that the whole mass can be mined.

Stope	Any excavation in a mine, other than development workings, made for the purpose of extracting ore. The outlines of the orebody determine the outlines of the stope. The term is also applied to breaking ground by drilling and blasting or other methods.
Stream Agreement	The stream agreement relating to the Sabodala-Massawa Gold Mine.
Strike	The course or bearing of the outcrop of an inclined bed, vein, or fault plane on a level surface; the direction of a horizontal line perpendicular to the direction of the dip.
Stripping Ratio	The unit amount of spoil or overburden that must be removed to gain access to a unit amount of ore or mineral material, generally expressed in cubic yards of overburden to raw tons of mineral material.
sub-aerial deposition	The systematic deposition of tailings above the water line, on the ground or on the tailings beach in thin layers and allowing each layer to settle, drain and partially air dry prior to covering with a further layer.
Sub-block	A sub-division of a larger parent block in a geological/mining block model.
Sub-level	A secondary level for working ore in top slicing and sublevel stoping.
Sulphide	A compound of sulphur and some other element.
Supernatant Pond	The body of water overlying material deposited by settling of tailings in a tailings storage facility.
Surpac	Specific software component of the GEOVIA Surpac™ suite of geology, resource modelling, mine planning and production software.
Syndicate	Franco-Nevada Corporation and Sandstorm Gold Inc
Tailings	The gangue and other refuse material resulting from the washing, concentration, or treatment of ground ore.
Tangayen	Resources Tangayen SARL
Technical Economic Parameters	The key components of a financial model comprising, production, sales, sales revenue, operating expenditure and capital expenditure.
Teranga	Teranga Gold Corporation
Teranga deposits	The deposits owned by the Group and acquired through acquisition of Teranga.
TG Australia	Teranga Gold (Australia) PTY Ltd
Thickener	A section of the process plant which removes water to increase the concentration or density.
Tholeiitic	The most common igneous rocks on Earth, produced by submarine volcanism at mid-ocean ridges and make up much of the ocean crust.
Tonalite	An igneous, plutonic (intrusive) rock, of felsic composition, with phaneritic texture.
Tourmaline	A crystalline boron silicate mineral compounded with elements such as aluminium, iron, magnesium, sodium, lithium, or potassium. Tourmaline is classified as a semi-precious stone.
Transverse	An auxiliary crosscut made in thick deposits across an orebody for the purpose of dividing it into sections along strike. It is used only a short time and runs across the thickness of the deposit only.

Trench	A narrow, shallow ditch cut across a mineral deposit to obtain samples or to observe character.
Trondhjemitic	Displaying the characteristics of a leucocratic (light-coloured) intrusive igneous rock.
True Gold	True Gold Mining Inc
True thickness	True stratigraphic thickness is always the distance between the uppermost and lowermost section of a unit measured perpendicular to the uppermost contact.
TSF Beach	Beach slope in the tailings industry refers to the surface slope of the tailings after being hydraulically or mechanical deposited from a point of discharge. This is the slope the tailings settle at after being discharged from the end of a pipe.
TSF Lift/Raise	An unit of construction by which the tailings storage facility embankments are raised/extended vertically to increase storage capacity.
TSF Proper	A tailings storage facility pertaining to the Kalana Development Property.
Tuff	A general term for all consolidated pyroclastic rocks.
UK Prospectus Regulation	UK version of Regulation EU (2017/1129) as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018
ultra-violet sterilisation	Ultraviolet germicidal irradiation is a disinfection method that uses short-wavelength ultraviolet light to kill or inactivate microorganisms by destroying nucleic acids and disrupting their DNA, leaving them unable to perform vital cellular functions.
Unfolding	A computerised process where folded structures/lithologies are transformed to their pre-folded state.
United States	United States of America
Upstream Method	An upstream tailings dam consists of trapezoidal embankments being constructed on top but toe to crest of another, moving the crest further upstream.
Utilisation	The proportion of the time that the equipment is available that it is used for its intended purpose.
Valmin Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)
Variability testwork	Variability composites are developed to assess ore variations of specific concern. They could include ore grade, hardness, contaminant levels, lithology and spatial location within the deposit.
Variogram	A function describing the degree of spatial dependence of a spatial random field or stochastic process.
Variography	The process of examining spatial dependence using a variogram.
volcanic island arc	A chain of volcanoes formed above a subducting plate, positioned in an arc shape as seen from above.
Volcaniclastic	Sedimentary rocks such as sandstones formed by the aggregation of rock fragments (clasts) of volcanic origin.
Vulcan	Maptek Vulcan a 3Dgeologhical modelling, mine design and production planning software package.

Wahgnion 2013 FS	The 2013 feasibility study completed in respect of the Wahgnion Gold Mine.
Wahgnion 2014 FS	The 2014 feasibility study completed in respect of the Wahgnion Gold Mine.
Wahgnion 2017 FS	The 2017 feasibility study completed in respect of the Wahgnion Gold Mine.
Wahgnion 2019 TR	Amended Technical Report on the Wahgnion Gold Operations, Burkina Faso.
Wahgnion CIL Plant	The carbon in leach processing plant at Wahgnion Gold Mine.
Wahgnion Gold Mine	An operating gold mine of the Group in which it has a 90% equity interest.
Wahgnion Licence	The exploitation licence relating to the Wahgnion Gold Mine
Wahgnion Mining Agreement	The mining agreement between the Government of Burkina Faso and the Group's subsidiary.
Walk Away	Remediation of mineral properties to attain stable long-term post closure conditions without the requirement for substantive post closure activities.
Weathering	Process of disintegration and decomposition as a consequence of exposure to the atmosphere, to chemical action, and to the action of frost, water, and heat.
Weightometer	An appliance for the continuous weighing of material in transit on a belt conveyor.
West Africa	The 17 countries of Benin, Burkina Faso, Cape Verde, The Gambia, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo, as well as the United Kingdom Overseas Territory of Saint Helena, Ascension and Tristan da Cunha.
Wharfage	The fee charged by the freight terminal on passage of cargo or merchandise through it. It does not include charges like sorting, weighing, marking, sampling, inspecting, loading, unloading, demurrage, or any other charge by a state or central government.
World Gold Council	The World Gold Council is the market development organisation for the gold industry.
X-cut	A horizontal opening driven across the course of a vein or in general across the direction of the main workings.
Xstract	Xstract Mining Consultants Pty Ltd.
Zadra	A elution process where gold that is adsorbed on to activated carbon is desorbed from the carbon by a reversal of the adsorption kinetics.
2015 Mining Code	2015 Mining Code (Law 036-2015).
2020 Statements	Mineral Resource and Ore Reserve statements for the Mineral Assets as at 31 December 2020.

Abbreviations

AAL	AngloGold Ashanti Limited
AARL	Anglo American Research Laboratories
AAS	Atomic Absorption Spectrometry
ABA	Acid-Base-Accounting
AC	Air Core
ADR	Adsorption-Desorption-Regeneration
AEL	African Explosives Limited

AEP	Advanced Exploration Property
Ai	Abrasion Index
AIC	All-in Costs
AIFR	All Injury Frequency Rate
AIME	American Institute of Mining Engineers
AISC	All-in Sustaining Costs
ALS	ALS Metallurgical Laboratories
ALS	ALS-Chemex Burkina SARL
ANCOLD	Australian National Committee on Large Dams
ANDE	Ministry of Environment and Sustainable Development, the affiliated National Environmental Agency
ANPE	Agence Nationale Pour l'Emploi
AOC	Adjusted Operating Costs
ARD	Acid Rock Drainage
ARDML	Acid Rock Drainage Metal Leaching
ARI	Average Recurrence Interval
ARO	Asset Retirement Obligation
ASM	Artisanal and small-scale mining
ASX	Australian Securities Exchange
AXM	Axmin Ltd
BBA	BBA Consulting Limited
BBMI	Bond Ball Mill Work Index
BCEAO	Banque Centrale des États de l'Afrique de l'Ouest
BDGO	Bouéré Dohoun Gold Operation SA
BEng	Bachelor of Engineering
BIF	Banded Iron Formation
BIGS	BIGS Global Burkina SARL
BIOX	Bacterial oxidation
BLEG	Bulk Leach Extractable Gold analysis
BRGM	Bureau de Recherches Géologiques et Minières
BRGM	Bureau de Recherches Géologique et Minière de la France d'Outre-Mer
BWi	Bond Ball mill work index
BUMIGEB	Service Géologique National du Burkina Faso
BUNEE	National Office of Environmental Assessments
C1	Net direct cash cost
C2	Production cost
C3	Fully allocated cost
CAF	Cut and Fill
CCC	Community Consultation Committee
CCD	Counter Current Detoxification

CCTV	Close Circuit Televsion
CDA	Canadian Dam Association
C.Eng	Chartered Engineer
CEnv	Chartered Environmentalist
CFA	Communauté Financière d'Afrique (African Financial Community)
CFMM	Compagnie Française de Mines et Métaux
CGeol	Chartered Geologist
CIAPOL	Ivorian Centre for Antipollution
CI-E	La Société des Energies de Côte d'Ivoire
CIE	Compagnie Ivoiriennne d'Electricite
COG	Cut-off Grade
COGEMA	Compagnie Générale des Matières Atomiques
COGS	Costs of Goods Sold
COMINOR	Compagnie Minière Or
CIE	Compagnie Ivoiriennne d'Electricite
CIL	Carbon-in-Leach
CIM	Canadian Institute of Mining and Metallurgy
CIP	Carbon-in-Pulp
CMF	Consensus Market Forecasts
CPI	Consumer Price Inflation
CPR	Competent Persons' Report
CPT	Cone Penetration Test
CRF	Cemented Rock Fill
CRM	Certified Reference Material
CSPS	Centre de Santé et de Promotion Social
CSTTAO	Compagnie Sénégalaise de Transports Transatlantiques Afrique de l'Ouest SA
DD	Diamond Drillhole
CRF	Cemented Rock Fill
CRIRSCO	Committee for Mineral Reserves International Reporting Standards
DEEC	Division Environnement et de Establissement Classes
DNACPN	Director of Cleansing and Control of Pollutions and Nuisances
DP	Development Property
DPA 1998	Data Protection Act 1998
EAP	Environmental Action Plan
EBITDA	Earnings, Before Interest, Taxation, Depreciation and Amortisation
ECOWAS	Economic Community of West African States
ECSA	European Citizen Science Association
EDV	Endeavour ticker
EDVA	Endeavour Aviation
EDVMF	OTCQX International ticker

EFE	Export Free Enterprise
EITI	Extractive Industry Transparency Initiative
EL	Exploitation Licence
EMC	Endeavour Mining Corporation
EMP	Environmental Management Plans
ENVAL	Cabinet ENVAL Côte d'Ivoire
EOR	Engineer of Record
EP	Exploration Property
ERM	Environmental Resource Management
ESG	Environmental and Social Governance
ESIAs	Environmental and Social Impact Assessments
ESMP	Environmental and Social Management Plan
ESMMP	Environmental and Social Management and Monitoring Plans
ESMS	Environmental, Social, and Health Management System
EV	Equity Value
EWSD	East Water Supply Dam
FA/AA	Fire Assay/Atomic Absorption
FA/grav	Fire Assay with Gravimetric Finish
FCA	Financial Conduct Authority
FG	Finished Goods
FGS	Fellow of the Geological Society
FIMMM	Fellow of the Institute of Mining and Metallurgy
FS	Feasibility Study
FSMA	Financial Services and Markets Act 2000 of the United Kingdom
FTE	FTE-Drilling
FW	Footwall
G&A	General and Administration
GC	Grade Control
GCM	Grade Control Model
GCMF	Grade Control Model Factor
GG1	Goulagou I
GG2	Goulagou II
GGT	Green Gold Technology
GIC	Gold In Circuit
GIIP	Good International Industry Practice
GISTM	Global Industry Standard on Tailings Management
GoBF	Government of Burkina Faso
GoCI	Government of Côte d'Ivoire
GoM	Government of Mali
GoS	Government of Sénégal

GNF	Guinean Franc
GSL	Geological Society of London
H1, H2	first and second 6 monthly interval of a calendar/financial reporting period
HDPE	High-Density Polyethylene
HFO	Heavy Fuel Oil
HG	High Grade
HGO	Houndé Gold Operations SA
HHL	Houndé Holdings Limited
HLF	Heap leach Facility
HME	Heavy Mining Equipment
HPGR	High-Pressure Grinding Roll
HQ	63.5mm core diameter
HSE	Occupational Health, Safety and Environment
HW	Hangingwall
ICMI	International Cyanide Management Code
ICMM	International Council on Mining and Minerals
ICOLD	International Commission on Large Dams
ICP	Inductively coupled analysis
ICP-OES	Inductively coupled plasma atomic emission spectroscopy
ID	Identity
IDW	Inverse distance weighting
IDW2	Inverse distance cubed weighting
IDW3	Inverse distance cubed weighting
IFC-PS	International Financial Corporation's Performance Standards
INCO	International Nickel Company
IP	Induced Polarisation
IRA	Inter Ramp Angle
ISO	International Organisation of Standardisation
ITF	Intertropical Front
ITS	National Interconnected Transmission System
ITZC	intertropical convergence zone
IUCN	International Union for Conservation of Nature
KP	Knight Piésold Pty Ltd
KPI	Key performance indicator
MD&A	Management Discussion and Analysis
LCU	Local Currency Unit
LCRS	Leakage Collection and Recovery System
LFO	Light Fuel Oil
LIBOR	London Interbank Offered Rate
LILE	Large-Ion Lithophile Element

LIMS	Laboratory Information Management System
LMIK	Localised Multiple Indicator Kriging
LoMp	Life-of-Mine Plan
LSE	London Stock Exchange
LG	Low Grade
LRWD	Large Raw Water Dam
LTGP	Long-Term Gold Price
LTI	Lost Time Injury
LTP	Long-Term Price
LUC	Localised Uniform Conditioning
LW	Leachwell
MAusIMM (CP)	Member of the Australian Institute of Mining and Metallurgy (Chartered Professional)
MAP	Mean Annual Precipitation
MBS	MBS Environmental Services Limited
MCAP	Market Capitalisation
MDL	Mineral Deposits Limited
MDMRMF	Mine Design to Mineral Resource Model Factor
MEDD	Ministry for the Environment and Sustainable Development
MEEVCC	Ministry of the Environment, Green Economy and Climate Change
MG	Medium Grade
MIEMA	Member of the Institute of Environmental Management and Assessment
MJL	Massawa (Jersey) Limited
MMG	Ministry of Mines and Geology
MMQ	Ministry of Mines and Quarries
MO	Marginal Ore
MOE	Minister of Environment Green Economy and Climate Change
MoME	Ministry of Mines and Energy
MPA	Maximum Potential Acidity
MPhil	Master of Philosophy
MRE	Mineral Resource Estimate
MRM	Mineral Resource Model
MRMF	Mineral Resource Model Factor
MSA	Massawa SA
MSAIMM	Member of the South African Institute of Mining and Metallurgy
MSc	Master of Science
MSO	Mineral Stope Optimiser
MTZ	Main Transcurrent Shear Zone
NAF	Non-Acid Forming
NAG	Net Acid Generation

NATO	North Atlantic Treaty Organization
NBA	Niger Basin Authority
NE	Nugget Effect
NI 43-101	Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects.
No	Number
NSR	Net Smelter Royalty
OEM	Original Equipment Manufacturers
OFSZ	Ouango-Fitini Shear Zone
OH or OVH	Overhead
OK	Ordinary Kriging
o/p	Open Pittable
OHPL	Overhead Power Line
OJVG	Oromin Joint Venture Group
OREAS	Ore Research and Exploration Pty Ltd
ORM	Ore Reserve Model
ORMF	Ore Reserve Model Factor
OSA	Overall Slope Angle
OSCE	Organization for Security and Co-operation in Europe
OSZ	Ouahigouya Shear Zone
OTCQX	Over the Counter (highest tier)
OTCQX:EDVMF	Over the Counter (highest tier): Endeavour Mining Corporation
Ox	Oxide
PAP	Potentially Affected Persons
PAR	Plan d'Action de Réinstallation
PCR	Planned Component Replacement
PDP	Pre-Development Property
PFS	Pre-Feasibility Study
PGES	Plan de Gestion Environnemental et social
PhD	Doctor of Philosophy
PNNK	Niokolo-Koba National Park
PP	Producing Property
PQ	85mm core
PRDP	Plant Received to Delivered to Plant
Pr.Eng	Professional Engineer
Proc	Processed
Pr.Sci.Nat	Professional Natural Scientist
PRI	Principles for Responsible Investment Reporting Framework
PWC	PricewaterhouseCoopers
QP	Qualified Person

Q1, Q2, Q3, Q4	Quarterly reporting periods of a calendar/financial year
QA/QC	Quality Assurance and Quality Control
RAB	Rotary Air Blast
RAP	Resettlement Action Plan
RC	Reverse Circulation
RC-DD	Reverse Circulation Percussion with Diamond Core Tail
Re	Reclaiming
RL	Reduced Level
RoM	Run-of-mine
RPO	Recognised Professional Organisation
RQD	Rock Quality Designation
RWi	Bond Rod mill work index
SAARL	Split Anglo-American Research Laboratory
SABC	Semi-Autogenous Ball Mill and Pebble Crusher
SAG	Semi-Autogenous Grinding
SANAS	South African National Accreditation System
SANCOLD	South African National Committee on Large Dams
SASE	Strong albite – silica alteration zone with moderate sericite and +/- sulphides
SATMC	SAG mill, Vertical Tower Mill and Pebble Crusher
SCADA	Supervisory Control and Data Acquisition
SDF	Social Development Fund
SEAL	Strong Sericite Alteration Zone with +/- Silica and +/- Sulphides
SEG	Society of Economic Geologists
SGO	Sabodala Gold Operations SA
SGS	Société Générale de Surveillance
SLO	Social Licence to Operate
SMBS	Sodium Metabisulphite
SM CIL Plant	Sabodala Mine CIL Plant
SMC	Sabodala Mining Company Sarl
SMD	Société des Mines de Daapleu S.A.
SMEP	Sabodala-Massawa Gold Mine Expansion Project
SMEP 2020 PFS	Sabodala-Massawa Expansion Project Pre-Feasibility Study (2020)
SMEP 2021 FS	Sabodala-Massawa Expansion Project Feasibility Study (2021)
SMEP 43-101 TR	Sabodala-Massawa Project Pre-Feasibility Study National Instrument 43-101 Technical Report" published on 21 August 2020
SMF	Société des Mines de Floleu S.A.
SMF-BF	Semafo BF laboratory
SMI	Société des Mines d'Ity S.A
SMU	Selective Mining Unit
SOGEMORK	La Société de Gestion et d'Exploration des Mines d'Or et de Kalana

SOMIKA	Société des Mines d'Or de Kalana
SONABEL	Société Nationale d'électricité du Burkina Faso
SNL	Senegal Nominees Limited
s/p	Stockpiles
SR	Stripping Ratio
SRK	SRK Consulting (UK) Limited
SRWD	Small Raw Water Dam
SSZ	Sabodala-Sofia Zone
STDEV	Standard Variance
TEA	Target Extraction Area
TEC	Total Employees Costed
TEP	Technical Economic Parameters
TFA	Tails Fire Assay
TRIFR	Total Recordable Injury Frequency Rate
Trn	Transitional
TSF	Tailings Storage Facilities
TSX	Toronto Stock Exchange
UFG	Ultrafine Ground
u/g	Underground
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGPs	United Nations Guiding Principles on Business and Human Rights
UNVP	United Nations Voluntary Principles on Security and Human Rights
URWD	Upper Raw Water Dam
VAT	Valuer Added Tax
VMI	Vendor Managed Inventory
VTEM	Versatile Time Domain Electromagnetic
WADCN	Weak Acid Dissociable Cyanide
WAEMU	West African Economic and Monetary Union
WDPA	World Database of Protected Areas
WGC	World Gold Council
WGO	Wahgnion Gold Operations SA
WGM 2014 ESIA	Wahgnion Gold Mine Environmental and Social Impact Assessment (2014)
WGM 2019 ESIA	Wahgnion Gold Mine Environmental and Social Impact Assessment (2019)
WHD	Water Harvest Dam
WHO	World Health Organisation
WMC	Western Mining Corporation Ltd
WRD	Waste Rock Dump
WSF	Water Storage Facility

WSD	Water Storage Dam
WSP	Williams Sale Partnership
WWSS	West Water Supply Sump
2P	Proved and Probable Ore Reserves
3R	Measured, Indicated and Inferred Mineral Resources
3R Premium	Mineral Resource price premium
3YDMAV	Three year daily moving average

Units

°	a degree
°C	a degree Celsius
‘	a minute of arc
’’	a second of arc
%	percentage
C$	Canadian Dollar
CFA	Communauté financière d'Afrique
CO_2-e	Carbon dioxide equivalent
GBP	Pound Sterling
GNF	Guinean Franc
G	Giga (10^9 or 1,000,000,000)
Ga	a billion years
g/cm^3	gramme per cubic centimetre
g/tAu	gramme of gold per tonne
g/tAg	gramme of silver per tonne
g/TEC/m	gramme per total employee costed per month
GW	Giga Watt
ha	hectare
hr	hours
Hz	Hertz
kgCO_2e	kilogramme carbon dioxide equivalent
kgCO_2e/t	kilogramme carbon dioxide equivalent per tonne
kl	thousand litres
km	kilometre
km^2	square kilometre
koz	thousand troy ounces
kozAu	thousand troy ounces of gold
ktpa	thousand tonnes per annum
kV	thousand volts
kVA	thousand volt amperes
kW	thousand watts
kWh/t	thousand watt hours per tonne
l	litre
M	Mega (10^6 or 1,000,000)
m	metre
m^3	cubic metre
Ma	million years

maD	metres above datum
mamsl	metres above mean sea level
mbgl	metre below ground level
m^3/d	cubic metre per day
mdev	metre developed
m^3/h	cubic metre per hour
Ml	million litre
mm	millimetre
Mm^3	million cubic metre
mmh	million man hour
Mm^3/y	million cubic metres per year
mg/l	milli gramme per litre
m/s	metre per second
Ml/t	million litre per tonne
MozAu	million troy ounce of gold
MPa	Mega Pascal
mRL	metre reduced level
Mt	million metric tonne
Mtpa	million metric tonne per annum
MVA	million volt-ampere
MW	million watt
MW_{AC}	million watt alternating current output (solar array)
MWh	million watt hour
MW_P	million watt direct current output (solar array)
ppb	parts per billion
ppbAu	parts per billion of gold
ppmAs	parts per million of arsenic
ppmAu	parts per million of gold
ppmCu	parts per million of copper
ppmNaCN	parts per million of sodium cyanide
tCO_2e	tonne of carbon dioxide equivalent
t/m^3	tonne per cubic metre
tpd	tonne per day
tph	tonne per hour
t/TEC/m	tonne per total employee costed per month
$t_{waste}:t_{ore}$	tonne of waste per tonne of ore
µm	a micrometre
USc/l	United States cents per litre
USc/kWh	United States cents per thousand watt hour
US$	United States dollar
US$/bl	United States dollar per barrel
US$/g	United States dollar per gramme
US$/l	United States dollar per litre
US$m	million United States dollars
US$mpa	million United States dollars per annum
US$/oz	United States dollars per troy ounce
US$/share	United States dollars per share
$US\$/t_{milled}$	United States dollars per tonne milled

US$/$t_{mined}$	United States dollars per tonne mined
V	Volt
%w/w	percentage weight concentration of a solution
W	Watt
Wt%	weight percentage
XOF	CFA Franc BCEAO

APPENDIX

A CIM MINERAL RESOURCES AND MINERAL RESERVES AS REPORTED FOR THE MINERAL ASSETS AT 31 DECEMBER 2020 IN THE GROUP'S PUBLIC DOMAIN STATEMENTS

A.1 OPERATING PROPERTIES

The following tables represent the Mineral Resources and Mineral Reserves as reported by the Group for the Operating Properties as at 31 December 2020 and reported in the Group's latest public domain disclosures. The Mineral Resources and Mineral Reserves are identical to the Mineral Resources and Ore Reserves as reported in the 2020 Statements included in this Competent Persons' Report.

Note that with respect to the Group's public domain statements, the Mineral Resources for Golden Hill are reported with the Mineral Resources for Houndé Gold Mine. In the statements reported below the Mineral Resources for Golden Hill have been removed and are reported separated in Appendix A.3. Furthermore, at Ity Gold Mine note that for attributable all deposits are reported at 85% equity holding with the Le Plaque deposit determined at 90%. The attributable values are reported assuming the various equity holdings as noted in the main section of the CPR.

Mineral Reserves and Mineral Resources	100%			Attributable		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Boungou Gold Mine						
Proven Mineral Reserves	1,727	3.83	213	1,555	3.83	191
Probable Mineral Reserves	6,830	3.60	791	6,147	3.60	712
Mineral Reserves	**8,557**	**3.65**	**1,004**	**7,701**	**3.65**	**904**
Measured Mineral Resources	1,948	3.89	244	1,753	3.89	219
Indicated Mineral Resources	12,484	3.23	1,295	11,236	3.23	1,165
Measured + Indicated Mineral Resources	**14,432**	**3.32**	**1,538**	**12,989**	**3.32**	**1,385**
Inferred Mineral Resources	844	3.03	82	760	3.03	74
Houndé Gold Mine						
Proven Mineral Reserves	2,553	1.26	104	2,297	1.26	93
Probable Mineral Reserves	43,734	1.76	2,480	39,361	1.76	2,232
Mineral Reserves	**46,287**	**1.74**	**2,584**	**41,658**	**1.74**	**2,326**
Measured Mineral Resources	2,753	1.26	112	2,478	1.26	101
Indicated Mineral Resources	66,625	1.74	3,717	59,962	1.74	3,345
Measured + Indicated Mineral Resources	**69,378**	**1.72**	**3,829**	**62,440**	**1.72**	**3,446**
Inferred Mineral Resources	6,862	1.50	330	6,176	1.50	297
Ity Gold Mine						
Proven Mineral Reserves	10,217	0.95	312	8,684	0.95	265
Probable Mineral Reserves	43,670	1.73	2,433	37,521	1.74	2,096
Mineral Reserves	**53,887**	**1.58**	**2,745**	**46,205**	**1.59**	**2,361**
Measured Mineral Resources	11,571	0.95	354	9,835	0.95	301
Indicated Mineral Resources	65,551	1.62	3,407	56,115	1.62	2,930
Measured + Indicated Mineral Resources	**77,122**	**1.52**	**3,762**	**65,950**	**1.52**	**3,231**
Inferred Mineral Resources	17,909	1.32	762	15,261	1.33	651
Karma Gold Mine						
Proven Mineral Reserves	320	0.40	4	288	0.40	4
Probable Mineral Reserves	5,162	0.93	154	4,646	0.93	138
Mineral Reserves	**5,482**	**0.90**	**158**	**4,934**	**0.90**	**142**
Measured Mineral Resources	320	0.40	4	288	0.40	4
Indicated Mineral Resources	47,656	1.24	1,894	42,891	1.24	1,705
Measured + Indicated Mineral Resources	**47,976**	**1.23**	**1,898**	**43,179**	**1.23**	**1,708**
Inferred Mineral Resources	16,247	1.30	679	14,623	1.30	611
Mana Gold Mine						
Proven Mineral Reserves	5,663	3.18	578	5,097	3.18	520
Probable Mineral Reserves	8,562	3.05	839	7,706	3.05	755
Mineral Reserves	**14,225**	**3.10**	**1,418**	**12,803**	**3.10**	**1,276**
Measured Mineral Resources	10,764	2.19	758	9,687	2.19	683
Indicated Mineral Resources	34,466	2.03	2,250	31,019	2.03	2,025
Measured + Indicated Mineral Resources	**45,230**	**2.07**	**3,009**	**40,707**	**2.07**	**2,708**
Inferred Mineral Resources	10,202	2.14	701	9,182	2.14	630
Sabodala-Massawa Gold Mine						
Proven Mineral Reserves	17,298	1.25	696	15,568	1.25	626
Probable Mineral Reserves	60,068	2.12	4,101	54,061	2.12	3,691
Mineral Reserves	**77,365**	**1.93**	**4,796**	**69,629**	**1.93**	**4,317**
Measured Mineral Resources	19,439	1.38	862	17,495	1.38	775
Indicated Mineral Resources	82,668	2.17	5,778	74,401	2.17	5,201
Measured + Indicated Mineral Resources	**102,107**	**2.02**	**6,640**	**91,896**	**2.02**	**5,976**
Inferred Mineral Resources	24,267	2.21	1,728	21,841	2.21	1,555
Wahgnion Gold Mine						
Proven Mineral Reserves	2,168	1.23	86	1,951	1.23	77
Probable Mineral Reserves	24,257	1.64	1,282	21,831	1.64	1,154
Mineral Reserves	**26,425**	**1.61**	**1,367**	**23,782**	**1.61**	**1,230**
Measured Mineral Resources	2,438	1.23	97	2,194	1.23	87
Indicated Mineral Resources	41,802	1.53	2,055	37,621	1.53	1,850
Measured + Indicated Mineral Resources	**44,240**	**1.51**	**2,152**	**39,816**	**1.51**	**1,937**
Inferred Mineral Resources	5,110	1.52	250	4,599	1.52	225
Operating Properties						
Proven Mineral Reserves	39,945	1.55	1,992	35,440	1.56	1,777
Probable Mineral Reserves	192,283	1.95	12,080	171,272	1.96	10,778
Mineral Reserves	**232,228**	**1.88**	**14,072**	**206,712**	**1.89**	**12,555**
Measured Mineral Resources	49,233	1.54	2,431	43,731	1.54	2,170
Indicated Mineral Resources	351,251	1.81	20,397	313,246	1.81	18,221
Measured + Indicated Mineral Resources	**400,484**	**1.77**	**22,827**	**356,977**	**1.78**	**20,390**
Inferred Mineral Resources	81,442	1.73	4,532	72,441	1.74	4,043

A.2 DEVELOPMENT PROPERTIES

The following tables represent the Mineral Resources and Mineral Reserves as reported by the Group for the Development Properties as at 31 December 2020 and reported in the Group's latest public domain disclosures. The Mineral Resources and Mineral Reserves are identical to the Mineral Resources and Ore Reserves as reported in the 2020 Statements included in this Competent Persons' Report. The attributable values are reported assuming the various equity holdings as noted in the main section of the CPR.

Mineral Reserves and Mineral Resources	100%			Attributable		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Fetekro Development Property						
Proven Mineral Reserves	-	-	-	-	-	-
Probable Mineral Reserves	31,977	2.07	2,133	25,581	2.07	1,706
Mineral Reserves	**31,977**	**2.07**	**2,133**	**25,581**	**2.07**	**1,706**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	32,030	2.40	2,470	25,624	2.40	1,976
Measured + Indicated Mineral Resources	**32,030**	**2.40**	**2,470**	**25,624**	**2.40**	**1,976**
Inferred Mineral Resources	820	2.51	66	656	2.51	53
Kalana Development Property						
Proven Mineral Reserves	-	-	-	-	-	-
Probable Mineral Reserves	35,596	1.60	1,829	28,477	1.60	1,463
Mineral Reserves	**35,596**	**1.60**	**1,829**	**28,477**	**1.60**	**1,463**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	45,987	1.56	2,302	36,790	1.56	1,842
Measured + Indicated Mineral Resources	**45,987**	**1.56**	**2,302**	**36,790**	**1.56**	**1,842**
Inferred Mineral Resources	4,560	1.67	245	3,648	1.67	196
Development Property						
Proven Mineral Reserves	-	-	-	-	-	-
Probable Mineral Reserves	67,573	1.82	3,961	54,058	1.82	3,169
Mineral Reserves	**67,573**	**1.82**	**3,961**	**54,058**	**1.82**	**3,169**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	78,017	1.90	4,772	62,414	1.90	3,818
Measured + Indicated Mineral Resources	**78,017**	**1.90**	**4,772**	**62,414**	**1.90**	**3,818**
Inferred Mineral Resources	5,380	1.80	311	4,304	1.80	249

A.3 ADVANCED DEVELOPMENT PROPERTIES

The following tables represent the Mineral Resources and Mineral Reserves as reported by the Group for the Advanced Development Properties as at 31 December 2020 and reported in the Group's latest public domain disclosures. The Mineral Resources and Mineral Reserves are identical to the Mineral Resources and Ore Reserves as reported in the 2020 Statements included in this Competent Persons' Report.

Note that with respect to the Group's public domain statements, the Mineral Resources for Golden Hill are reported with the Mineral Resources for Houndé Gold Mine. The attributable values are reported assuming the various equity holdings as noted in the main section of the CPR. Furthermore, SRK notes that the equity attributable percentage for Golden Hill is 100% and not 90% as assumed in the Company's public domain reporting.

Mineral Reserves and Mineral Resources	100%			Attributable		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Golden Hill						
Proven Mineral Reserves	-	-	-	-	-	-
Probable Mineral Reserves	-	-	-	-	-	-
Mineral Reserves	**-**	**-**	**-**	**-**	**-**	**-**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	12,620	1.85	752	12,620	1.85	752
Measured + Indicated Mineral Resources	**12,620**	**1.85**	**752**	**12,620**	**1.85**	**752**
Inferred Mineral Resources	11,480	1.81	669	11,480	1.81	669
Bantou						
Proven Mineral Reserves	-	-	-	-	-	-
Probable Mineral Reserves	-	-	-	-	-	-
Mineral Reserves	**-**	**-**	**-**	**-**	**-**	**-**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	-	-	-	-	-	-
Measured + Indicated Mineral Resources	**-**	**-**	**-**	**-**	**-**	**-**
Inferred Mineral Resources	51,108	1.37	2,245	44,850	1.36	1,956
Nabanga						
Proven Mineral Reserves	-	-	-	-	-	-
Probable Mineral Reserves	-	-	-	-	-	-
Mineral Reserves	**-**	**-**	**-**	**-**	**-**	**-**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	-	-	-	-	-	-
Measured + Indicated Mineral Resources	**-**	**-**	**-**	**-**	**-**	**-**
Inferred Mineral Resources	3,402	7.69	841	3,061	7.69	757
Advanced Development Property						
Proven Mineral Reserves	-	-	-	-	-	-

Mineral Reserves and Mineral Resources	100%			Attributable		
	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)	Tonnage (kt)	Grade (g/tAu)	Content (kozAu)
Probable Mineral Reserves	-	-	-	-	-	-
Mineral Reserves	**-**	**-**	**-**	**-**	**-**	**-**
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	12,620	1.85	752	12,620	1.85	752
Measured + Indicated Mineral Resources	**12,620**	**1.85**	**752**	**12,620**	**1.85**	**752**
Inferred Mineral Resources	65,990	1.77	3,755	59,392	1.77	3,382

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