ENDEAVOUR MINING

INTEGRATED MANAGEMENT REPORT AND FINANCIAL STATEMENTS

For the three and nine months ended 30 September 2021 and 30 September 2020

(Expressed in Thousands of United States Dollars)
(Unaudited)

SECTION 1

MANAGEMENT REPORT

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MANAGEMENT REPORT

This Management Report should be read in conjunction with Endeavour Mining plc's ("Endeavour", the "Company", or the "Group") condensed interim consolidated financial statements for the three and nine months ended 30 September 2021 which has been prepared in accordance with UK adopted International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") or ("GAAP") and are included in section 2.1 of the unaudited interim condensed financial statements for the three and nine months ended 30 September 2021, as well as Endeavour Mining Corporation's audited consolidated financial statements for the years ended 31 December 2020 and 2019 and notes thereto which has been prepared in accordance with IFRS. This Management Report is prepared as an equivalence to the Company's Management Discussions & Analysis ("MD&A") which is the Canadian filing requirement in accordance with National Instrument 51-102, *Continuous Disclosure Obligations* ("NI 51-102"), and includes all of the disclosures as required by NI 51-102.

This Management Report contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained herein. The reader is cautioned not to place undue reliance on forward-looking statements. All figures are in United States Dollars, unless otherwise indicated. Tabular amounts are in thousands of United States Dollars, except per share amounts and where otherwise indicated. This Management Report is prepared as of 10 November 2021. Additional information relating to the Company is available, including the Company's prospectus (available on the Company's website at www.endeavourmining.com) and the Company's Annual Information Form (available on SEDAR at www.sedar.com).

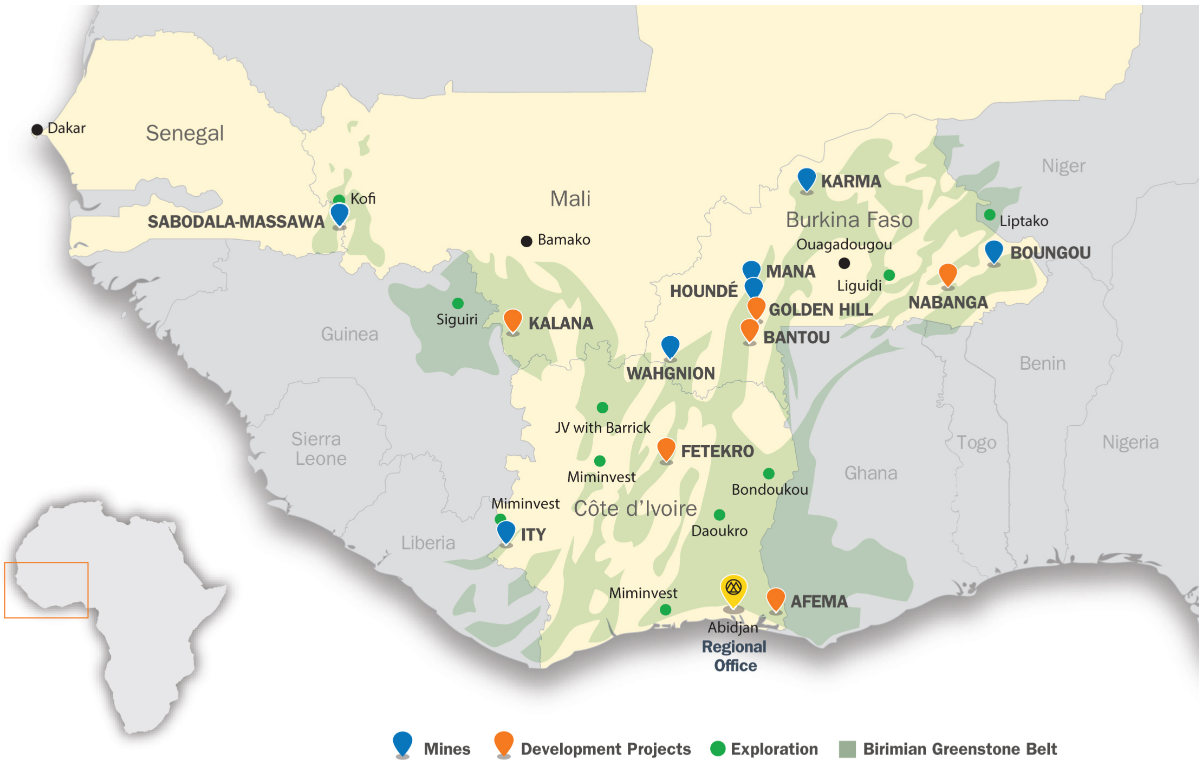
1. BUSINESS OVERVIEW

1.1. OPERATIONS DESCRIPTION

Endeavour is a multi-asset gold producer focused on West Africa and dual-listed on the Toronto Stock Exchange ("TSX") and the London Stock Exchange ("LSE") under the symbol EDV on both exchanges. The Company's assets include five mines (Houndé, Mana, Boungou, Wahgnion and Karma) in Burkina Faso, the Ity mine in Côte d'Ivoire, the Sabodala-Massawa mine in Senegal, six development projects (Fetekro, Kalana, Bantou, Nabanga, Golden Hill and Afema) and a strong portfolio of exploration assets on the highly prospective Birimian Greenstone Belt across Burkina Faso, Côte d'Ivoire, Mali, Senegal, and Guinea. On 10 February 2021, Endeavour completed the acquisition of Teranga Gold Corporation ("Teranga"), a TSX-listed gold company which owned the Sabodala-Massawa and Wahgnion mines, as well as certain development and exploration assets. On 1 March 2021, the Company completed the disposition of its Agbaou mine in Côte d'Ivoire.

As a leading global gold producer and the largest in West Africa, Endeavour is committed to principles of responsible mining and delivering sustainable value to its employees, stakeholders, and the communities where it operates.

Figure 1: Endeavour's Principal Properties in West Africa as at 10 November 2021



2. HIGHLIGHTS FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2021

Table 16: Consolidated Highlights

		THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s)	Unit	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating data from continuing operations					
Gold produced	oz	382,273	218,801	1,125,527	487,795
Gold sold	oz	392,432	236,292	1,176,711	508,184
Realised gold price[1]	$/oz	1,763	1,840	1,768	1,713
All-in sustaining costs ("AISC") per ounce sold [2]	$/oz	904	881	872	896
Cash flow data from continuing operations					
Operating cash flows before working capital	$	325,880	195,348	874,948	365,586
Operating cash flows before working capital per share[2]	$/share	1.30	1.20	3.69	2.85
Operating cash flows	$	311,906	181,996	819,124	335,392
Operating cash flows per share[2]	$/share	1.25	1.12	3.46	2.61
Profit and loss data from continuing operations					
Revenue[1]	$	691,707	434,839	2,080,926	870,741
Earnings from mine operations	$	235,114	123,231	714,704	270,994
Net comprehensive earnings attributable to shareholders	$	113,587	52,160	327,030	30,343
Basic earnings per share attributable to shareholders	$/share	0.45	0.32	1.38	0.24
EBITDA[2,3]	$	344,406	202,995	1,040,659	327,446
Adjusted EBITDA[2,3]	$	369,602	225,427	1,075,799	431,609
Adjusted net earnings attributable to shareholders[2]	$	152,964	80,547	429,285	154,214
Adjusted net earnings per share attributable to shareholders[2]	$/share	0.61	0.49	1.81	1.20
Balance Sheet Data					
Cash	$	760,368	523,324	760,368	523,324
Net Debt[2]	$	69,632	175,172	69,632	175,172
Net Debt/Adjusted EBITDA (LTM) ratio[2,3]	:	0.05	0.29	0.05	0.29

[1] Revenue and realised gold price are inclusive of the Sabodala-Massawa and Karma streams.
[2] This is a non-GAAP measure. Refer to the non-GAAP measure section of this Management Report.
[3] EBITDA is defined as Earnings before interest, taxes, depreciation and depletion; LTM is defined as last twelve months.

3. ENVIRONMENT, SOCIAL AND GOVERNANCE

Endeavour is committed to being a responsible gold miner, creating long-term value and sharing the benefits of its operations among all its stakeholders, including employees, host communities and shareholders. As the largest gold miner in West Africa and a trusted partner, Endeavour's operations have the potential to provide a significant positive impact on the economies and social development of its local communities and host countries, while minimising their impact on the environment.

Environment, social and governance ("ESG") policies, systems and practices are embedded throughout the business and the Company reports annually on its ESG performance via its Sustainability Report. A dedicated sustainability governance structure has been established with an Environment, Sustainability and Governance Committee at board level, which the management of the ESG Committee reports into.

The Responsible Gold Mining Principles ("RGMPs")

The RGMPs were launched by the World Gold Council, the industry body responsible for stimulating and sustaining demand for gold, to reflect the commitment of the world's leading gold producers to responsible mining. The RGMPs provide a comprehensive ESG reporting framework that sets out clear expectations as to what constitutes responsible gold mining to help provide confidence to investors, supply chain participants and ultimately, consumers.

The RGMPs consist of ten umbrella principles and fifty-one detailed principles that cover key ESG themes. Member companies have three years to comply with the RGMPs and are required to obtain external assurance on their conformance to the RGMPs.

During 2020, Endeavour received external assurance on its first RGMP, 1.7 Accountabilities and Reporting and continued to progress on the implementation of the other RGMPs, including commissioning an independent external readiness assessment to confirm Endeavour's internal gap assessment (conducted in 2019) and to provide additional recommendations in preparation for external assurance. For the year ended 31 December 2020, Endeavour received external assurance on seven RGMPs, the details of which are included in the Company's 2020 Sustainability Report, available at www.endeavourmining.com.

Responding to Climate Change

Being responsible stewards of the environment is critical to the Group's long-term success. The Group has been reporting on its Scope 1 and Scope 2 greenhouse gas emissions since 2017 and Scope 3 emissions since 2019.

In Q2-2021, Endeavour launched an augmented ESG strategy to reflect the Company's increased size. Central to the strategy is protecting the environment, with a core focus on tackling climate change, water stewardship, conserving biodiversity as well as plastic waste, a material issue in its host countries.

As part of Endeavour's journey to net zero by 2050, the Company is working on its roadmap to reduce its greenhouse gas emissions intensity by 30% by 2030. Among the eight levers identified to reduce emissions, the Company has identified that switching to renewable power has the most potential. Solar power is expected to form a core part of the Group's energy mix going forward, starting with the solar power plant project at the Houndé mine.

To support this commitment, 25% of the 2021 long-term executive compensation award (vesting in 2023) is tied to the successful implementation of a carbon reduction strategy and the commissioning of at least one significant renewable energy power plant.

Sustainability Update

During Q2-2021, Endeavour published its 2020 Sustainability Report. This Report marks a new milestone in the Company's disclosure with the continued enhancement of transparency and the adoption of standards set by the Task Force on Climate-related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board ("SASB"). In addition, external assurance was obtained for the first time on key ESG indicators.

To increase transparency on local procurement, Endeavour has also adopted the Local Procurement Reporting Mechanism ("LPRM"), a framework created by Mining Shared Value to support transparency within the supply chain and standardize information on mine site procurement.

Endeavour's 2020 sustainability highlights include:

- 95% of the Group's workforce is from host countries and 66% of senior management is from West Africa
- 74% of total procurement, amounting to approximately $622.0 million, spent on in-country suppliers, supporting over 2,000 national and local businesses
- Distribution of $894.0 million in economic value to host countries, including $262.0 million in taxes and royalties
- Invested $24.0 million, equivalent to $27 per ounce of gold produced, in local communities and host countries, including $6 million to support the fight against COVID-19
- Successful decrease in malaria cases by 19% and the Group's malaria incidence rate by 38%
- Fourth consecutive year of no significant environmental incidents, since annual sustainability reporting began
- Greenhouse gas emission intensity (CO_2-equivalent per oz gold produced) reduced by 13% compared to 2018
- Significantly improved CDP Climate Change score from D- to C and achieved a C for Water Security performance

Launch of an augmented ESG Strategy

In Q2-21, Endeavour announced an updated ESG strategy to reflect its increased size and scale. Endeavour's ESG strategy is centered around two key pillars: investing in host countries and protecting the environment (as detailed above). These two pillars are underpinned by a strong governance framework and linked to clear, measurable ESG-related executive compensation targets (as outlined in the 2021 Management Information Circular).

The Company has also created the Endeavour Foundation, which will be its primary vehicle to implement its social investments and sustainability projects at the regional and national levels. The Endeavour Foundation's focus areas are health, particularly malaria, education, access to water and energy, and economic development. The Endeavour Foundation will supplement the efforts being undertaken by ECODEV, an economic development fund established by Endeavour to support local economic growth by promoting and investing in the creation of long-term, sustainable, small and medium enterprises.

3.1. HEALTH AND SAFETY

Endeavour puts the highest priority on safe work practices and systems. The Company's ultimate aim is to achieve "zero harm" performance. The following table shows the safety statistics for the trailing twelve months ended 30 September 2021. The Group's lost time injury frequency rate ("LTIFR") continues to be well below the industry benchmark.

Table 17: LTIFR[1] and TRIFR[2] Statistics for the Trailing Twelve Months ended 30 September 2021 [4]

				Incident Category	
	Fatality	Lost Time Injury	Total People Hours	LTIFR[1]	TRIFR[2]
Boungou	—	1	3,030,655	0.33	2.31
Houndé	—	—	4,974,300	—	1.01
Ity	—	1	6,325,846	0.16	1.26
Karma	—	—	3,146,415	—	—
Mana	—	—	5,140,283	—	2.92
Non Operations[3]	—	1	2,308,261	0.43	1.73
Sabodala-Massawa[4]	—	2	3,611,419	0.55	2.77
Wahgnion[4]	—	2	4,111,630	0.49	1.95
Total	**—**	**7**	**32,648,809**	**0.21**	**1.75**

[1]LTIFR = Number of LTIs in the Period x 1,000,000 / Total people hours worked for the period.
[2]Total Recordable Injury Frequency Rate ("TRIFR") = Number of (LTI+Fatalities+Restricted Work Injury+Medical Treated Injury+First Aid Injury) in the period x 1,000,000 / Total people hours worked for the period.
[3] "Non Operations" includes Corporate, Kalana and Exploration.
[4]Data relating to the acquired Teranga entities have been included from their acquisition date.

3.2. COVID-19 RESPONSE

Since the outbreak of the global COVID-19 pandemic, Endeavour has focused on the well-being of its employees, contractors and local communities, while ensuring business continuity. In addition, host governments in Côte d'Ivoire, Burkina Faso, Senegal and Mali have taken strict and pro-active measures to minimise overall exposure in their countries.

Protecting the well-being of employees, contractors, and local communities

- Endeavour has implemented a range of preventative measures at all its sites, including social distancing, health screening, augmented hygiene and restricted access to sites. Commencing in Q2-21, this has included vaccination awareness campaigns across sites and offices and to date nearly 50% of the entire workforce have been vaccinated.
- Endeavour has donated key medical equipment and supplies to regional, community and on-site medical centres across all four countries of its projects and operations and continues to monitor the needs of its communities.
- A range of community programmes have been implemented during the pandemic, including micro-credit programmes, which have helped to support people in host communities whose livelihoods were impacted by the pandemic, and e-learning programmes in Burkina Faso to facilitate access to distance learning for students.

Business continuity response plan

- In early March 2020, Endeavour put in place a business continuity plan to mitigate the risks and potential impact of the global COVID-19 pandemic, which has three levels of response:
  - Level 1, which the Group is currently operating under, 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 the Group operates and involves comprehensive restrictions on movement into and out of the mines. Under these circumstances, Endeavour's mines would be isolated, but mining operations and the shipment of gold would continue.
- Level 3 involves the full or partial suspension of mining and processing operations.

- The Company's cloud-based strategy ensures that employees who need to work from home are able to access all the relevant applications, systems and collaboration tools needed to perform their duties. In addition, the Company's cyber security response has been updated and is constantly tracked in light of the increased cyber security risk generally observed during the pandemic.

4. OPERATIONS REVIEW

The following tables summarises operating results for the three and nine months ended 30 September 2021 and 30 September 2020.

4.1. Operational Review Summary

- Q3-2021 consolidated production from continuing operations amounted to 382,273 ounces, an increase of 163,472 ounces or 75% compared to Q3-2020. Group production increased due to higher production at Ity, Houndé, and Boungou as well as the addition of the Sabodala-Massawa and Wahgnion mines which were acquired on 10 February 2021. These increases were offset by decreased production at Mana due to the expected lower grades from the open pit. Group AISC from continuing operations increased by 3% or $23 per ounce due to expected higher capital expenditure and scheduled higher operating cost at all operations which was offset by the inclusion of the lower cost Sabodala-Massawa mine due to more ounces sold.
- YTD-2021 consolidated production from continuing operations increased by 637,732 ounces or 131% which was more than double that of YTD-2020, as a result of the acquisition of Teranga Gold Corporation ("Teranga"), a TSX-listed gold mining company which owned the Sabodala-Massawa and Wahgnion mines on 10 February 2021, as well as the benefit of the full nine months of operations of ex-SEMAFO Inc ("SEMAFO") which owned the Mana and Boungou mines and which was acquired on 1 July 2020. AISC for all operations decreased by $36 per ounce or 4% to $875 per ounce due to the inclusion of the lower cost Sabodala-Massawa mine during the quarter, lower AISC at Houndé due to lower sustaining capital, as well as more than double the amount of ounces sold compared to YTD-2020.

Table 18: Group Production

	THREE MONTHS ENDED		NINE MONTHS ENDED	
(All amounts in oz, on a 100% basis)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Boungou[1]	40,844	30,226	139,393	30,226
Houndé	70,209	62,038	215,895	175,342
Ity	61,494	44,470	211,863	152,265
Karma	20,567	22,389	67,197	70,284
Mana[1]	49,101	59,678	150,667	59,678
Sabodala-Massawa[2]	105,913	—	240,717	—
Wahgnion[2]	34,145	—	99,795	—
PRODUCTION FROM CONTINUING OPERATIONS	**382,273**	**218,801**	**1,125,527**	**487,795**
Agbaou[3]	—	24,816	12,575	76,713
GROUP PRODUCTION	**382,273**	**243,617**	**1,138,102**	**564,508**

[1]Included for the post acquisition period commencing 1 July 2020.
[2]Included for the post acquisition period commencing 10 February 2021.
[3]Divested on 1 March, 2021.

Table 19: Group All-In Sustaining Costs[1]

	THREE MONTHS ENDED		NINE MONTHS ENDED	
(All amounts in US$/oz)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Boungou[2]	800	752	795	752
Corporate G&A	23	22	26	30
Houndé	921	865	833	966
Ity	915	775	830	728
Karma	1,259	1,073	1,162	949
Mana[2]	1,029	896	996	896
Sabodala-Massawa[3]	655	—	667	—
Wahgnion[3]	1,097	—	964	—
AISC[1] FROM CONTINUING OPERATIONS	**904**	**881**	**872**	**896**
Agbaou[4]	—	1,139	1,131	1,013
GROUP AISC[1]	**904**	**906**	**875**	**911**

[1]This is a non-GAAP measure.
[2]Included for the post acquisition period commencing 1 July 2020.
[3]Included for the post acquisition period commencing 10 February 2021.
[4]Divested on 1 March 2021.

4.2. Boungou Gold Mine, Burkina Faso

Table 20: Boungou Key Performance Indicators[1]

	Unit	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating Data					
Tonnes ore mined	kt	539	124	1,136	124
Tonnes of waste mined	kt	6,587	170	21,009	170
Tonnes of ore milled	kt	349	308	1,000	308
Average gold grade milled	g/t	3.76	3.15	4.34	3.15
Recovery rate	%	95	94	95	94
Gold produced	oz	40,844	30,226	139,393	30,226
Gold sold	oz	41,286	35,411	137,119	35,411
Realised gold price	$/oz	1,774	1,877	1,780	1,877
Financial Data ($'000)					
Revenue	$	73,242	66,450	244,093	66,450
Operating expenses	$	(25,248)	(26,836)	(82,172)	(26,836)
Royalties	$	(4,365)	(4,106)	(14,706)	(4,106)
Non-cash operating expenses[2]	$	—	4,830	4,330	4,830
Total Cash Cost[3]	**$**	**(29,613)**	**(26,112)**	**(92,548)**	**(26,112)**
Sustaining capital[3]	$	(3,403)	(505)	(16,468)	(505)
Total All-in Sustaining Costs[3]	**$**	**(33,016)**	**(26,617)**	**(109,016)**	**(26,617)**
Non-sustaining capital[3]	$	(5,449)	(848)	(13,874)	(848)
Total All-in Costs[3]	**$**	**(38,465)**	**(27,465)**	**(122,890)**	**(27,465)**
All-In Margin[3, 4]	**$**	**34,777**	**38,985**	**121,203**	**38,985**
Cash cost per ounce sold[3]	**$/oz**	**717**	**737**	**675**	**737**
Mine All-In Sustaining Costs per ounce sold[3]	**$/oz**	**800**	**752**	**795**	**752**

[1] Analysis of operations is only for the period after its acquisition by Endeavour on 1 July 2020.
[2] Non-cash operating expenses relates to the reversal in the period of the fair value adjustment of inventory on hand at the acquisition date.
[3] Non-GAAP measure. Refer to the non-GAAP Measures section for further details.
[4] All-In Margin is calculated as revenue less all-in costs for the period.

Q3-2021 vs Q3-2020 insights

- Production increased due to higher throughput and higher average grade processed as ore was sourced from the West Pit relative to Q3-2020 where the plant feed was mainly sourced from stockpiles as the Boungou mine had been on care and maintenance.
  - Tonnes mined increased significantly due to increased contractor mining fleet availability and utilisation compared to Q3-2020 where mining was limited to easily accessible ore as mining activities were restarting. In Q3-2021, ore mined was mainly sourced from the West Pit Phase 2 and 3 while pre-stripping continued in the East Pit.
  - Tonnes milled increased due to higher throughput resulting from good fragmentation of mined ore as well as operational improvements to optimise the feed to the SAG mill, pebble crusher and vertical tower mill.
  - Processed grade increased due to higher grade ore sourced from the West Pit Phase 2 and 3 compared to the prior period where plant feed was mainly from stockpiles.
- AISC increased due to expected sustaining capital expenditures, which were partially offset by lower unit mining and processing costs due to increased efficiencies as a result of additional mining equipment commissioned in Q1-2021, improved mining fragmentation and shorter hauls associated with the near surface Phase 3 expansion.
- Sustaining capital expenditure of $3.4 million mainly related to waste capitalisation at the West Pit and the third TSF wall raise.
- Non-sustaining capital expenditure of $5.4 million related to pre-stripping at the East pit.

YTD-2021 Insights

- Production of 139,393 ounces benefited from high tonnes mined and milled at a high average grade benefiting from the full nine months of operations, while the equivalent period in 2020 only had one quarter of operations in which there were limited mining activities as mill feed was mainly sourced from the lower grade stockpiles prior to Q3-2020.
  - Total tonnes mined is attributable to the full nine months of production following the restart of full mining activities in early Q4-2020, the commissioning of additional mining equipment during Q1-2021 and the benefit of mining on the top benches, which include a shorter haul and improved efficiencies. Pre-stripping activities at the East pit have been ongoing since Q1-2021 and its expected to expose ore for mining in Q1-2022. Tonnes of ore mined was mainly sourced from the West pit during the nine months ended 30 September 2021.
  - Tonnes milled is high due to better mining fragmentation which increased mill utilisation, as well as the benefit of operational improvements to optimise the feed to the SAG mill, pebble crusher and vertical tower mill.
  - Average processed grade is high as better grades were increasingly sourced from the West Pit following the restart of mining activities in Q4-2020.
- AISC per ounce is high due to the planned increase in sustaining waste capital, high unit mining cost due to the high strip ratios as well as high unit processing cost due to high power generation cost driven by high fuel prices.
- Sustaining capital expenditures of $16.5 million during the year to date related to waste capitalisation at West pit and the commencement of the third TSF wall raise.
- Non-sustaining capital expenditure of $13.9 million related to pre-stripping at the East pit.
- There have been no interruptions in operations and supply procurement during YTD-2021 as management continues to focus on security enhancements at the Boungou mine following the restart of operations in Q4-2020.

2021 Outlook

- Boungou is expected to achieve the bottom half of the FY-2021 production guidance of 180 - 200koz, while AISC are expected to continue to trend above the guided $690 - 740 per ounce range as a result of higher fuel prices and increased security costs.
- Plant feed is expected to continue to be sourced from the West Pit with waste stripping activities continuing at the East Pit through to the end of the year. Mill throughput and average processed grades are expected to remain broadly consistent with year to date performance in Q4-2021.
- The sustaining capital spend outlook for FY-2021 remains unchanged compared to the initial guidance of $19.0 million, of which $16.5 million has been incurred year to date. The non-sustaining capital spend outlook for FY-2021 also remains unchanged compared to the initial guidance of $22.0 million, of which $13.9 million has been incurred year to date.

2021 Exploration Programme

- An exploration programme of up to $7 million was planned for 2021, of which $5 million has been spent year to date consisting of 25,700 meters of drilling across 280 drillholes. During Q3-2021, $1 million was spent on exploration, consisting of 1,300 meters of drilling. The exploration efforts were focused on delineating near mine targets including Natougou Northeast, Boungou Northwest and Boungou North.
- At Natougou Northwest, drilling continues to delineate the zone of higher-grade mineralisation trending North-Northwest that remains open to the north. Throughout Q4-2021 and into 2022, drilling will focus on both delineating this trend, and at Natougou Southeast and Natougou Southwest targeting the extension of existing mineralised trends and on the evaluation of inferred resources.
- At Boungou Northwest, year to date drilling demonstrated promising initial results, identifying the continuation of the Boungou shear down plunge. Follow-up drilling in Q4-2021 and 2022 will continue to evaluate this shear zone.
- During Q4-2021 and in 2022 further drilling will focus on expanding the footprints and defining resources at Natougou Northwest, Boungou North and Boungou Northwest.
- Reconnaissance drilling to the north of Boungou following up on geochemical anomalies, at the Osaanpalo and Tawori targets, identified shallow oxide mineralization. Follow up drilling in 2022 will focus on delineating these early-stage targets, as well as the Dangou target.

4.3. Houndé Gold Mine, Burkina Faso

Table 21: Houndé Key Performance Indicators

	Unit	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating Data					
Tonnes ore mined	kt	596	1,231	3,620	3,204
Tonnes of waste mined	kt	11,370	8,702	34,000	29,550
Tonnes milled	kt	1,142	1,010	3,396	3,111
Average gold grade milled	g/t	2.11	2.06	2.15	1.91
Recovery rate	%	92	92	92	92
Gold produced	oz	70,209	62,038	215,895	175,342
Gold sold	oz	75,381	62,273	219,239	176,375
Realised gold price	$/oz	1,783	1,858	1,781	1,728
Financial Data ($'000)					
Revenue	$	134,401	115,721	390,471	304,746
Operating expenses	$	(39,158)	(37,352)	(121,209)	(115,759)
Royalties	$	(8,390)	(9,516)	(26,205)	(24,646)
Total Cash Cost[1]	**$**	**(47,548)**	**(46,868)**	**(147,414)**	**(140,405)**
Sustaining capital[1]	$	(21,858)	(6,999)	(35,162)	(29,890)
Total All-In Sustaining Costs[1]	**$**	**(69,406)**	**(53,867)**	**(182,576)**	**(170,295)**
Non-sustaining capital[1]	$	(619)	(7,327)	(10,300)	(14,892)
Total All-in Costs[1]	**$**	**(70,025)**	**(61,194)**	**(192,876)**	**(185,187)**
All-In Margin[1, 2]	**$**	**64,376**	**54,527**	**197,595**	**119,559**
Cash cost per ounce sold[1]	**$/oz**	**631**	**753**	**672**	**796**
Mine All-In Sustaining Costs per ounce sold[1]	**$/oz**	**921**	**865**	**833**	**966**

[1] Non-GAAP measure. Refer to the non-GAAP Measures section for further details.
[2] All-In Margin is calculated as revenue less all-in costs for the period.

Q3-2021 vs Q3-2020 insights

- Production increased, despite lower tonnes of ore mined compared to Q3-2020, due to the higher plant throughput at higher grade, as ore was source from the high grade oxide material from the Kari Pump area.
  - Tonnes of ore mined decreased due to the focus on waste stripping at the Vindaloo Main pit as well as pre-stripping activities at the high grade Kari West. Ore was sourced from the high grade oxide Kari Pump deposit and supplemented by fresh ore from the Vindaloo Center, stockpiles and limited mining at Bouéré pits.
  - Tonnes milled increased due to the higher throughput rate that resulted from higher proportion of oxide ore in the blend.
  - Average gold grade milled increased in Q3-2021 due to higher grade ore from the Kari-Pump and Vindaloo Main pits, compared to lower grade ore from Vindaloo Center and lower grade stockpiles in Q3-2020.
- AISC increased due to higher sustaining capital as well as higher unit processing cost due to increased use of on-site generated power. Higher costs were partially offset by lower unit mining costs as a result of mining more oxide material with lower associated drill and blast costs.
- Sustaining capital of $21.9 million is related to waste capitalisation at the Vindaloo Main and Kari Pump pits.
- Non-sustaining capital of $0.6 million is related to the costs associated with the development of the Kari West pit.

YTD-2021 vs YTD-2020 Insights

- Production increased significantly due to increased throughput and higher average processed grades, mainly as a result of the ramp-up of the high grade Kari Pump deposit.
  - Tonnes of ore mined increased mainly due to the ramp up at the Kari Pump pit and increased ore tonnes mined from the Vindaloo Center pit, which allowed further optionality in the mine plan compared to prior periods when Kari Pump was at the pre-stripping stage.
  - Tonnes milled increased as mill throughput improved due to the higher proportion of oxide ore from the Kari Pump pit, offsetting the higher volumes of fresh ore from the Vindaloo Center, Vindaloo Main and Bouéré pits.
  - Average gold grade milled increased due to ore sourced from the high grade Kari Pump ore, which was supplemented by ore from the Vindaloo Center, Vindaloo Main and the Bouéré pits.
- AISC decreased due to lower unit mining costs as a result of lower drill and blast requirements for the oxide ore from the Kari Pump pit as well as lower unit sustaining capital costs per ounce, which was slightly offset by higher unit processing cost associated with scheduled maintenance and higher unit G&A costs associated with the Kari Pump permitting process.

2021 Outlook

- FY-2021 production at Houndé is expected to be near the top end of its guidance of 240 - 260koz as year to date performance was stronger than scheduled due to the better-than-expected mining productivity achieved during the pre-stripping of Kari Pump which enabled access to greater volumes of high grade oxide ore. AISC is expected to be near the bottom end of its guided range of $855 - 905 per ounce.
- In Q4-2021, mining activities will continue to focus on Kari Pump, supplemented by contributions from Vindaloo Main and Kari West. Mining is expected to increase at Vindaloo Main and Kari West after completion of the pre-strip. Throughput is expected to decline slightly, compared to year to date throughput, and processed grade is expected to be lower as the contribution from the high grade Kari Pump deposit will be reduced as Vindaloo Main and Kari West provide an increased proportion of the feed.
- Due to a stronger than guided production outlook, the sustaining capital spend for FY-2021 is expected to be above initial guidance of $39.0 million, of which $35.2 million has been incurred year to date.
- Non-sustaining capital spend outlook for FY-2021 remains unchanged compared to the initial guidance of $13.0 million, of which $10.3 million has been incurred year to date.

2021 Exploration Programme

- An exploration programme of up to $7 million was initially planned for 2021, however given our exploration success here early in the year, $14 million has now been spent year to date, consisting of 74,800 meters of drilling across 667 drillholes. During Q3-2021, $7 million was spent on exploration consisting of 6,000 meters of drilling. The exploration efforts were focused on Mambo, Vindaloo South and the intersection between Kari Gap and Kari Center.
- Drilling at the Mambo target, a recent discovery located 12km from the Houndé plant, has continued to extend mineralisation to over 1,000 meters in length and it remains open to the Southwest, Northeast, and at depth. A maiden resource at Mambo is expected to be published in Q4-2021.
- During Q3-2021, at Vindaloo South and the intersection between Kari Gap and Kari Center drilling continued to target extensions to the currently defined mineralisations.
- During Q4-2021 and into 2022, exploration will continue to focus on expanding Mambo, Vindaloo South and the intersection between Kari Gap and Kari Center. In addition, Endeavour will advance higher grade targets such as Sia Sianikoui and Dohoum through additional drilling.

4.4. Ity Gold Mine, Côte d'Ivoire

Table 22: Ity CIL Key Performance Indicators

		THREE MONTHS ENDED		NINE MONTHS ENDED	
	Unit	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating Data					
Tonnes ore mined	kt	1,690	2,352	5,672	5,911
Tonnes of waste mined	kt	3,886	3,970	12,654	11,012
Tonnes milled	kt	1,530	1,307	4,624	3,897
Average gold grade milled	g/t	1.50	1.34	1.74	1.52
Recovery rate	%	83	81	81	81
Gold produced	oz	61,494	44,470	211,863	152,265
Gold sold	oz	63,403	47,478	221,263	157,138
Realised gold price	$/oz	1,778	1,869	1,786	1,711
Financial Data ($'000)					
Revenue	$	112,731	88,755	395,224	268,897
Operating expenses	$	(46,325)	(29,331)	(144,165)	(94,263)
Royalties	$	(6,171)	(5,239)	(21,670)	(14,455)
Total Cash Cost[1]	**$**	**(52,496)**	**(34,570)**	**(165,835)**	**(108,718)**
Sustaining capital[1]	$	(5,526)	(2,249)	(17,866)	(5,625)
Total All-in Sustaining Costs[1]	**$**	**(58,022)**	**(36,819)**	**(183,701)**	**(114,343)**
Non-sustaining capital[1]	$	(3,944)	(3,697)	(24,367)	(25,390)
Total All-in Costs[1]	**$**	**(61,966)**	**(40,516)**	**(208,068)**	**(139,733)**
All-In Margin[1, 2]	**$**	**50,765**	**48,239**	**187,156**	**129,164**
Cash cost per ounce sold[1]	**$/oz**	**828**	**728**	**749**	**692**
Mine All-In Sustaining Costs per ounce sold[1]	**$/oz**	**915**	**775**	**830**	**728**

[1] Non-GAAP measure. Refer to the non-GAAP Measures section for further details.
[2] All-In Margin is calculated as revenue less all-in costs for the period.

Q3-2021 vs Q3-2020 insights

- Production increased significantly due to higher throughput, higher average processed grade, as well as improved recovery rates .
  - Tonnes ore mined decreased due to the greater focus on waste stripping. Ore was mainly sourced from the Bakatouo, the historic heap leach waste dumps and Daapleu, supplemented by ore from the Ity and Colline Sud pits. In Q3-2020 supplemental ore was sourced from the Aires and Verse Ouest stockpiles, whereas in Q3-2021 supplemental ore was from the Walter and the newly commissioned Le Plaque and Flotouo pits providing greater operational flexibility.
  - Tonnes milled increased and continued to perform above nameplate due to improvements in plant maintenance strategies and continued use of the surge bin feeder, despite a higher proportion of transitional and fresh ore being processed.
  - Processed grade increased due to the benefit of the higher grade ore from the Bakatouo and Daapleu pits, which was supplemented with ore from the historic heap leach waste dumps and Ity.
  - Recovery rates increased due to a higher proportion Bakatouo fresh ore in the blend compared to Daapleu fresh ore in Q3-2020, which has associated lower recoveries due to its refractory nature.
- AISC per ounce increased due to higher sustaining capital related to waste stripping and mining equipment as well as higher unit processing costs due to the increase in the proportion of transitional and fresh material and the resulting increase in reagent consumption.
- Sustaining capital expenditure of $5.5 million related primarily to waste stripping at the Ity, Bakatouo, Walter and Colline Sud pits as well as the acquisition of mining geotechnical monitoring equipment and strategic heavy vehicle spare parts.
- Non-sustaining capital expenditure of $3.9 million mainly related to the construction of the TSF stage 3 raise, pre-leach and tank spargers as well as Le Plaque waste dump sterilisation drilling.
- During Q2-2021, Ity transitioned from owner mining to contract mining with Societe de Forage et des Travaux Publics ("SFTP"), a local contractor who is already performing contract mining services at our Karma and Boungou mines. As a part of the transition, the mining fleet at Ity was sold to SFTP for a consideration of approximately $24.2 million which is expected to be received during Q4-2021.

YTD-2021 vs YTD-2020 Insights

- Production increased significantly due to higher throughput and higher processed grades.
  - Tonnes of ore mined decreased due to the higher strip ratio, which was partially offset by the higher mining fleet availability and and the commencement of mining at the Walter, Le Plaque and Flotouo pits, which provided greater operational flexibility.
  - Tonnes milled increased due to higher mill utilisation and the supplemental processing of oxide ore through the surge bin.
  - Average gold grade milled increased due to the higher grade ore sourced from the Bakatouo and Daapleu.
- AISC per ounce increased due to higher unit processing costs related to higher proportion of fresh ore being processed and increased sustaining capital as a result of higher capitalised waste.

2021 Outlook

- FY-2021 production at Ity is on track to be near the top end of its guidance of 230 - 250koz with AISC expected to be near the top end of its $800 - 850 per ounce guided range. Year to date performance was stronger than anticipated due to the benefit of a combination of higher throughput, grade, and higher recoveries.
- Mining activity is expected to increase at the higher grade Le Plaque pit in Q4-2021. Stripping activity, which was partially deferred due to low equipment availability earlier in the year, is expected to continue in Q4-2021 at the Ity pit. Throughput is expected to be slightly lower in Q4-2021 compared to previous quarters due to an increased proportion of fresh ore sourced from Daapleau.
- The sustaining capital spend outlook for FY-2021 remains unchanged compared to the initial guidance of $28.0 million, of which $17.9 million has been incurred year to date. As previously reported, non-sustaining capital spend for FY-2021 is expected to amount to approximately $40.0 million, of which $24.4 million has been incurred year to date.

2021 Exploration Programme

- An exploration programme of $9 million was initially planned for 2021, however given the success, $10 million has already been spent year to date consisting of 69,500 meters of drilling across 538 drillholes. During Q3-2021, $4 million was spent on exploration consisting of more than 24,400 meters of drilling. The exploration efforts were focused on Le Plaque South (Delta Extension), West Flotouo (Verse Ouest), Daapleu Deep, Yopleu-Legaleu and the junction between Bakatouo and Walter.
- During Q3-2021, drilling on the West Flotouo target led to the discovery of further high grade mineralised lenses immediately below the former Flotouo dump, located in proximity to the plant. West Flotouo is open to the north, south and at depth. As such, during Q4-2021 further delineation of this discovery is expected and a maiden resource is expected to be published in late 2021.
- Drilling in the Le Plaque area focused on extending mineralisation at Le Plaque South, Delta Extension and Yopleu-Legaleu. An updated Le Plaque resource is expected to be published in Q4-2021.
- Drilling conducted at Daapleu Deep continued to extend mineralisation to over 300 meters downdip of the current pit design. Daapleau Deep will be delineated further in Q4-2021 and in 2022.
- Drilling at the junction between the Bakatouo and Walter deposits confirmed that the skarn style mineralisation is continuous between the two deposits and that it remains open at depth. Exploration will continue to delineate this target in Q4-2021 and in 2022.

4.5. Karma Gold Mine, Burkina Faso

Table 23: Karma Key Performance Indicators

	Unit	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating Data					
Tonnes ore mined	kt	1,393	1,011	3,889	3,528
Tonnes of waste mined	kt	3,579	3,381	12,441	10,618
Tonnes of ore stacked	kt	1,264	1,192	3,911	3,544
Average gold grade stacked	g/t	0.70	0.76	0.77	0.86
Recovery rate	%	64	72	66	79
Gold produced	oz	20,567	22,389	67,197	70,284
Gold sold	oz	20,693	23,324	68,704	71,454
Realised gold price[1]	$/oz	1,659	1,537	1,651	1,436
Financial Data ($'000)					
Revenue[1]	$	34,333	35,844	113,416	102,579
Operating expenses	$	(22,890)	(20,077)	(69,042)	(54,132)
Royalties	$	(3,136)	(3,410)	(10,294)	(9,489)
Total Cash Cost[2]	**$**	**(26,026)**	**(23,487)**	**(79,336)**	**(63,621)**
Sustaining capital[2]	$	(17)	(1,535)	(499)	(4,202)
Total All-In Sustaining Costs[2]	**$**	**(26,043)**	**(25,022)**	**(79,835)**	**(67,823)**
Non-sustaining capital[2]	$	(239)	(1,706)	(3,134)	(7,618)
Total All-in Costs[2]	**$**	**(26,282)**	**(26,728)**	**(82,969)**	**(75,441)**
All-In Margin[2, 3]	**$**	**8,051**	**9,116**	**30,447**	**27,138**
Cash cost per ounce sold[2]	**$/oz**	**1,258**	**1,007**	**1,155**	**890**
Mine All-In Sustaining Costs per ounce sold[2]	**$/oz**	**1,259**	**1,073**	**1,162**	**949**

[1] *Revenue and realised gold price are inclusive of the Karma stream.*
[2] *Non-GAAP measure. Refer to the non-GAAP Measures section for further details.*
[3] *All-In Margin is calculated as revenue less all-in costs for the period.*

Q3-2021 vs Q3-2020 insights

- Production decreased despite the increased stacking rate due to the expected lower average grade and recovery rates on account of a higher proportion of transitional GG1 ore stacked.
  - Total ore tonnes mined, which were mainly sourced from the GG1 pit, increased slightly due to the decrease in strip ratio.
  - The stacked ore grade decreased due to the lower grade from the GG1 pit compared to a combination of Kao North and GG1 pit materials stacked during the same period in prior year.
  - Recovery rate decreased as expected due to the increased proportion of transitional ore from the GG1 pit which has a lower associated recovery rate.
- AISC per ounce increased due to the lower recovery rates which was partially offset by slightly lower unit processing cost. The lower unit processing costs were due to lower cement consumption per tonne for ore from the GG1 pit compared to higher cement consumption for Kao North materials in the prior period as well as lower cyanide consumption compared to prior period where extra cyanide was used to increase recovery.
- Sustaining capital expenditure was negligible during Q3-2021.
- Non-sustaining capital expenditure was $0.2 million, which was related to construction of new heap leach cells.

YTD-2021 vs YTD-2020 Insights

- Production decreased despite the higher ore tonnes stacked due to lower grade material being stacked and lower recovery rates.
  - Ore tonnes mined decreased due to increased strip ratio and reduced mining at the Kao North pit which was partially offset by increased mining at the GG1 pit. The mine sequencing for H2-2021 has been modified to reduce the planned ore tonnes to be mined from the Kao North pit as management works to obtain the appropriate permits and approvals for the grave settlement relocation for the Kao North pit, which they expect to receive in Q4-2021.
  - Ore tonnes stacked increased due to higher stacker utilisation and the use of stockpiles to supplement the mill feed.
  - The average stacked grade decreased due to a higher proportion of the low grade GG1 and stockpile ore stacked during the YTD-2021 compared to YTD-2020 where a higher proportion of the higher grade Kao North ore was stacked.
  - Recovery rate decreased due to the higher proportion of the more transitional GG1 ore being stacked, which has a lower associated recovery rate.
- AISC per ounce increased due to the higher strip ratio, higher royalties as well as lower recovery rates.
- Sustaining capital expenditure was $0.5 million and related to dewatering boreholes and other site equipment upgrades.
- Non-sustaining capital expenditure was $3.1 million and related to construction of new cells within the heap leach pad compared to non-sustaining costs in year to date prior year which related to the completion of the stacking system upgrades, leachate pump and power upgrade.

2021 Outlook

- Karma is well positioned to meet its FY-2021 production guidance of 80 - 90koz and achieve AISC near the bottom end of the guided $1,220 - $1,300 per ounce range.
- In Q4-2021, mining activity is expected to focus on the GG1 pits, supplemented by ore from the Rambo Pit. As a result of the increase in transitional material mined from the GG1 pits, processed grades and recoveries are expected to be lower, while mill throughput is expected to slightly increase compared to Q3-2021.
- The sustaining capital outlook at Karma is expected to be significantly lower than the $11.0 million guided as a result of the waste development being included as an operating cost for 2021 due to the short mine life remaining at Karma.
- The non-sustaining capital spend outlook for FY-2021 remains unchanged compared to the initial guidance of $5.0 million, of which $3.1 million has been incurred year to date.

2021 Exploration Programme

- During Q3-2021, limited exploration work continued as part of the advanced grade control drilling programme, targeting near mine extensions to be added into the current mine plan. The focus was on Kao Main, Kao North, Kao North Southeast, Rambo, GG1, GG2, Anomaly B and Kanongo, which will be pursued in Q4-2021 and in 2022.

4.6. Mana Gold Mine, Burkina Faso

Table 24: Mana Key Performance Indicators[1]

	Unit	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating Data					
Tonnes ore mined - open pit	kt	592	465	1,496	465
Tonnes of waste mined - open pit	kt	4,522	5,951	19,338	5,951
Tonnes ore mined - underground	kt	199	197	658	197
Tonnes of waste mined - underground	kt	47	116	212	116
Tonnes of ore milled	kt	667	593	1,942	593
Average gold grade milled	g/t	2.50	3.43	2.62	3.43
Recovery rate	%	91	95	91	95
Gold produced	oz	49,101	59,678	150,667	59,678
Gold sold	oz	48,762	67,806	159,085	67,806
Realised gold price	$/oz	1,780	1,889	1,786	1,889
Financial Data ($'000)					
Revenue	$	86,776	128,069	284,174	128,069
Operating expenses	$	(42,320)	(51,799)	(129,940)	(51,799)
Royalties	$	(5,745)	(7,754)	(18,782)	(7,754)
Non-cash operating expenses[2]	$	—	3,560	379	3,560
Total Cash Cost[3]	**$**	**(48,065)**	**(55,993)**	**(148,343)**	**(55,993)**
Sustaining capital[3]	$	(2,130)	(4,781)	(10,150)	(4,781)
Total All-in Sustaining Costs[3]	**$**	**(50,195)**	**(60,774)**	**(158,493)**	**(60,774)**
Non-sustaining capital[3]	$	(11,222)	(9,953)	(56,387)	(9,953)
Total All-in Costs[3]	**$**	**(61,417)**	**(70,727)**	**(214,880)**	**(70,727)**
All-In Margin[3, 4]	**$**	**25,359**	**57,342**	**69,294**	**57,342**
Cash cost per ounce sold[3]	**$/oz**	**986**	**826**	**932**	**826**
Mine All-In Sustaining Costs per ounce sold[3]	**$/oz**	**1,029**	**896**	**996**	**896**

[1] Analysis of operations is only for the period after its acquisition by Endeavour on 1 July 2020.
[2] Non-cash operating expenses relates to the reversal in the period of the fair value adjustment of inventory on hand at the acquisition date.
[3] Non-GAAP measure. Refer to the non-GAAP Measures section for further details.
[4] All-In Margin is calculated as revenue less all-in costs for the period.

Q3-2021 vs Q3-2020 insights

- Production decreased despite the increase in tonnes of ore mined due to the expected lower grades from the Wona South Stage 2 and 3 pit as well as lower grade from the Siou underground.
  - Open pit tonnes of ore mined increased due to overall lower strip ratio at the Wona South stage 2 and 3 pit compared to Q3-2020, where ore was sourced from Wona North stage 3 with a goodbye cut in Q1-2021 in favour of the underground mining option.
  - Total underground ore tonnes mined was consistent with the prior quarter, however in Q3-2021 less underground waste was mined as the mining focus shifted to a higher proportion of production stopes, compared to a higher proportion of development stopes in Q3-2020.
  - Tonnes milled increased due to an increase in mill availability and utilisation on account of improved mining fragmentation and softer ore characteristics in the Wona South pit compared to the Wona North pit.
  - The average processed grade decreased as expected due to lower open pit grades mined from the Wona South pit.
  - Recovery rates decreased due to the higher viscosity of the ore from the Wona South pit in the blend.
- AISC was higher due to higher processing and related maintenance costs as the proportion of fresh ore tonnes milled increased as well as higher open pit unit mining costs due to an increase in blasting and drilling activities during the period. This was offset by lower loading and hauling costs due to a decrease in total tonnes mined.
- Sustaining capital of $2.1 million is related to underground development to create new stoping levels.

- Non-sustaining capital expenditure of $11.2 million was mainly related to waste capitalisation, activities related to the preparation of the Wona underground portals and the TSF raise.

YTD-2021 Insights

- Production of 150,667 ounces represents the first full nine month year to date operations since its acquisition on 1 July 2020 compared to prior year where it operated for three month subsequent to its integration into the Group.
  - Total open pit tonnes of ore mined during the year were mainly sourced from the Wona South stage 2 and 3 while there was a goodbye cut at the North stage 3 during Q1-2021.
  - The underground operations achieved strong performance year to date delivering 658 thousand tonnes of ore mainly from longhole stopes.
  - Tonnes milled was high due to an increased average throughput per hour on account of the softer ore characteristics of Wona South pit which resulted in the higher plant throughput.
  - The average processed grade was lower due to viscosity of the ore from the Wona South pit.
- AISC was higher but remains within guidance due to higher processing costs along with increased underground unit mining costs attributable to increased stoping activity and additional ground support development.
- Sustaining capital expenditures of $10.2 million are related to underground development, as well as heavy mobile equipment.
- Non-sustaining capital of $56.4 million driven by underground development and the TSF raise.

2021 Outlook

- FY-2021 production at Mana is well positioned to be near the top end of its guidance of 170 - 190koz and near the top end of its AISC guidance of $975 - 1,050 per ounce, due to its strong performance driven by improved mill availability, and increased underground tonnes mined.
- Ore in Q4-2021 is expected to continue to be sourced from the Siou underground mine while open pit mining activities at Wona Stage 2 and 3 pits are expected to wind down in H1-2022. Following optimisation studies completed in Q2-2021, Wona is being pursued as an underground operation with underground development being expedited as the portal development has commenced. Grades are expected to be slightly lower, compared to Q3-2021, while recovery rates and throughput are expected to remain similar.
- The total sustaining and non-sustaining capital spend outlook for FY-2021 remains unchanged. As previously reported, in light of the reduction in required stripping activities at Wona, following the decision to shift to underground mining, the FY-2021 sustaining capital outlook is expected to be significantly lower than the $27.0 million guided, of which $10.2 million has been incurred. Due to the reallocation of capital to the Wona underground development, the non-sustaining capital outlook for FY-2021 is expected to amount to slightly more than the $62.0 million guided, of which $56.4 million has been incurred.

2021 Exploration Programme

- An exploration programme of $8 million was planned for 2021 of which $9 million has already been spent year to date consisting of 59,600 meters of drilling across 459 drillholes. During Q3-2021, $2 million was spent on exploration focussed on the Maoula open pit oxide target, and on evaluating underground targets at Siou, Wona and Nyafe.
- At Maoula, exploration work focused on defining Indicated resources in the western and eastern lenses of the deposit and to the southwest, where the deposit remains open.
- At Siou South and Nyafe, exploration work focused on interpreting drilling completed earlier this year to plan further delineation drilling in Q4-2021 and in 2022.

4.7. Sabodala-Massawa Gold Mine, Senegal

Table 25: Sabodala-Massawa Key Performance Indicators[1]

		THREE MONTHS ENDED		NINE MONTHS ENDED	
	Unit	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating Data					
Tonnes ore mined	kt	1,717	—	4,884	—
Tonnes of waste mined	kt	9,798	—	23,260	—
Tonnes milled	kt	1,079	—	2,696	—
Average gold grade milled	g/t	3.32	—	3.11	—
Recovery rate	%	90	—	90	—
Gold produced	oz	105,913	—	240,717	—
Gold sold	oz	107,547	—	258,563	—
Realised gold price[2]	$/oz	1,748	—	1,750	—
Financial Data ($'000)					
Revenue[2]	$	187,995	—	452,529	—
Operating expenses	$	(49,431)	—	(143,761)	—
Royalties	$	(10,541)	—	(25,395)	—
Non-cash operating expenses[3]	$	7,059	—	32,699	—
Total Cash Cost[4]	$	**(52,913)**	**—**	**(136,457)**	**—**
Sustaining capital[4]	$	(17,519)	—	(35,965)	—
Total All-In Sustaining Costs[4]	$	**(70,432)**	**—**	**(172,422)**	**—**
Non-sustaining capital[4]	$	(10,150)	—	(19,891)	—
Total All-in Costs[4]	**$**	**(80,582)**	**—**	**(192,313)**	**—**
All-In Margin[4, 5]	**$**	**107,413**	**—**	**260,216**	**—**
Cash cost per ounce sold[4]	**$/oz**	**492**	—	**528**	—
Mine All-In Sustaining Costs per ounce sold[4]	**$/oz**	**655**	—	**667**	—

[1] Analysis of operations is only for the period after its acquisition by Endeavour on 10 February 2021.
[2] Revenue and realised gold price are inclusive of the Sabodala-Massawa stream.
[3] Non-cash operating expenses relates to the reversal in the period of the fair value adjustment of inventory on hand at the acquisition date.
[4] Non-GAAP measure. Refer to the non-GAAP Measures section for further details.
[5] All-In Margin is calculated as revenue less all-in costs for the period.

Q3-2021 Insights

- Strong production of 105,913 ounces due to a higher throughput and higher average gold grade milled as well as stable recovery rate.
  - Total tonnes mined were high reflecting the combination of favourable mining conditions, a high proportion of oxide material mined and good productivity of shovels and excavators. Additionally, there was high waste stripping at the Sofia North pit to provide access to good grades to offer more optionality in future mining.
  - Ore was sourced from the Sofia Main and Sofia North pits on the Massawa lease and the Sabodala pit, following the completion of mining at the Golouma West and Kourouloulou pits on the Sabodala lease in Q1-2021.
  - Tonnes milled were higher due to high mill availability as a high proportion of fresh ore was introduced to the mill preventing mill chutes and screens becoming blocked. Ore tonnes milled comprised mainly fresh ore from the Sofia Main pit, supplemented by oxide material from Sofia North pit.
  - Average processed grades were high due to processing high grade fresh material sourced from Sofia Main, supplemented by oxide ore from the Sofia North pit.
- AISC of $655 per ounce was low and tracking below the lower end of the guidance due to lower unit mining and processing cost due to improved conditions as tonnes mined and processed were higher than anticipated.
- Sustaining capital expenditure of $17.5 million was related to purchases of additional dump trucks, bulldozers, water tankers, slope radar system and planned waste capitalisation.
- Non-sustaining capital expenditure of $10.1 million mostly was related to the relocation activities of the Sabodala village, the Massawa haul road and other infrastructure developments at Massawa.

YTD-2021 Insights

- Strong production of 240,717 ounces represents operations following the acquisition on 10 February 2021.
  - Ore was mainly sourced from the Sofia Main and Sofia North pits during the nine month period, supplemented by ore from Golouma and Kourouloulou which was completed in Q1-2021.
  - Tonnes milled were mainly fresh materials from the Sofia Main pit while the oxide blend was sourced from the Sofia North pit during and supplemented by oxide from Golouma West during Q1-2021.
  - The average processed grade for the period benefited from the processing of fresh high grade ore from the Sofia Main pit.
- AISC of $672 per ounce is below the lower end of the guided range due to low mining and processing unit costs, in addition to higher than expected ounces sold.
- Sustaining capital expenditure of $36.0 million was related to purchases of additional mining equipment, a TSF raise and planned waste capitalisation.
- Non-sustaining capital expenditure of $19.9 million mostly related to the relocation activities of the Sabodala village, the new haul road and infrastructure developments at the Massawa permit mining areas.

2021 Outlook

- Given its strong performance year to date, FY-2021 production at Sabodala-Massawa is well positioned to be near the top end of its guidance of 310 - 330koz with an AISC near the bottom end of the $690 - 740 per ounce guidance, for the post acquisition period commencing on 10 February 2021.
- The Sofia Main and Sofia North pits will continue to contribute the majority of the ore mined for Q4-2021, while waste extraction at Sofia North and Sabodala pits is expected to continue. Mill throughput and processed grades are expected to remain similar to year to date average grades.
- As previously reported, the sustaining capital spend for FY-2021 is expected to be above the initially guided $35.0 million, with $36.0 million already incurred, due to investments in additional mining fleet and equipment. As also previously reported, the non-sustaining capital spend for FY-2021 is expected to be below the initial guided $47.0 million, with $19.9 million already incurred, due to the deferral of spend on the Sabodala relocation construction costs as a greater focus was placed on mining the Sofia pits.

Plant Expansion

- The Massawa deposit is being integrated into the Sabodala mine through a two-phased approach, as outlined in the 2020 pre-feasibility study ("PFS").
- Phase 1 of the plant expansion, which is on schedule for completion in Q4-2021, will facilitate processing of an increased proportion of high grade, free-milling Massawa ore through the Sabodala processing plant.
- Installation of Packages 1 to 5, which include the electrowinning cell, carbon regeneration kiln, acid wash and elution circuit, and a new leach tank are all now largely complete. Commissioning of these packages is underway with completion expected ahead of schedule in early Q4-2021. Installation of Package 6, the Gravity Circuit, is well underway with civil and structural works completed and expected commissioning during Q4-2021.
- A total of $11.6 million was incurred year to date for the Phase 1 plant expansion and classified as growth capital, of which $0.3 million was incurred prior to its acquisition on 10 February 2021.
- Phase 2 of the expansion will add an additional processing circuit to process the high grade refractory ore from the Massawa deposit. The definitive feasibility study ("DFS") for Phase 2 is underway. Following successful exploration drilling, resource updates are expected to be published in Q4-2021 and will be incorporated into the DFS which is now scheduled to be published in early 2022.

2021 Exploration Programme

- An exploration programme of up to $13 million was planned for 2021, of which $9 million has already been spent year to date consisting of 72,300 meters of drilling across 680 drillholes. During Q3-2021 alone, $5 million was spent on exploration consisting of more than 25,900 meters of drilling. The exploration efforts were focused on Samina, Tina, Sofia North Extension and Bambaraya. Following the exploration success year to date, an updated resource is expected to be published in Q4-2021.
- During Q3-2021, drilling conducted at Samina, Tina and Sofia North Extension deposit was focused on extending mineralization along strike and downdip.
- Drilling at Bambaraya has been prioritised as Bambaraya is a prime target located just 13 kilometres away from the Sabodala mill. During Q3-2021 mineralisation was extended to 800 meters in strike length in the north-south direction. In addition, higher grade zones have been identified and will be followed up in Q4-2021 and in 2022.
- During Q4-2021, exploration work will be focused on defining resources at Samina, Tina and the Sofia North Extension with a resource update expected in Q4-2021.

4.8. Wahgnion Gold Mine, Burkina Faso

Table 26: Wahgnion Key Performance Indicators[1]

	Unit	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating Data					
Tonnes ore mined	kt	917	—	2,753	—
Tonnes of waste mined	kt	5,237	—	15,467	—
Tonnes milled	kt	809	—	2,363	—
Average gold grade milled	g/t	1.40	—	1.35	—
Recovery rate	%	93	—	94	—
Gold produced	oz	34,145	—	99,795	—
Gold sold	oz	35,360	—	112,738	—
Realised gold price	$/oz	1,760	—	1,783	—
Financial Data ($'000)					
Revenue	$	62,221	—	201,009	—
Operating expenses	$	(32,089)	—	(98,281)	—
Royalties	$	(4,162)	—	(13,731)	—
Non-cash operating expenses[2]	$	1,496	—	10,840	—
Total Cash Cost[3]	**$**	**(34,755)**	**—**	**(101,172)**	**—**
Sustaining capital[3]	$	(4,052)	—	(7,501)	—
Total All-In Sustaining Costs[3]	**$**	**(38,807)**	**—**	**(108,673)**	**—**
Non-sustaining capital[3]	$	(7,536)	—	(20,294)	—
Total All-in Costs[3]	**$**	**(46,343)**	**—**	**(128,967)**	**—**
All-In Margin[3, 4]	**$**	**15,878**	**—**	**72,042**	**—**
Cash cost per ounce sold[3]	**$/oz**	**983**	**—**	**897**	**—**
Mine All-In Sustaining Costs per ounce sold[3]	**$/oz**	**1,097**	**—**	**964**	**—**

[1] *Analysis of operations is only for the period after its acquisition by Endeavour on 10 February 2021.*
[2] *Non-cash operating expenses relates to the reversal in the period of the fair value adjustment of inventory on hand at the acquisition date.*
[3] *Non-GAAP measure. Refer to the non-GAAP Measures section for further details.*
[4] *All-In Margin is calculated as revenue less all-in costs for the period.*

Q3-2021 Insights

- Production of 34,145 ounces was lower than the previous quarter due to lower mill throughput and lower recovery rates, reflecting the high proportion of fresh material processed.
  - Tonnes of ore mined were largely fresh materials from the Nogbele North pit supplemented by oxide materials from the Nogbele South and Fourkoura pits.
  - Tonnes milled was a blend of greater quantities of fresh materials sourced from the Nogbele North and the Fourkoura pits and smaller oxide quantities from the Nogbele South, Nogbele North and Fourkoura pits.
  - Average gold grade milled reflects blend of materials from the Nogbele North, Nogbele South and Fourkoura in the blend.
- AISC per ounce is higher than expected due to the expected high strip ratio as well as high unit mining and unit processing cost due to mining and milling mostly fresh materials.
- Sustaining capital expenditure of $4.1 million was related to waste capitalisation.
- Non-sustaining capital expenditure of $7.5 million related to the TSF stage 2 raise, construction of the airstrip and Foukoura resettlement costs.

YTD-2021 Insights

- Production of 99,795 ounces represents operations following the acquisition on 10 February 2021.
  - Total tonnes mined decreased in the third quarter due to the planned waste stripping program offset by increase in the second quarter. Ore mined was mainly sourced from the Nogbele North and Nogbele South pits, supplemented with ore from the Fourkoura pit where mining commenced earlier this year.
  - Tonnes milled were an equal mix of oxide and fresh materials on a year to date basis. During the second quarter, feed blend was mainly oxide materials sourced from the Nogbele North and Nogbele South pits while during the third quarter the feed blend contained a higher proportion of fresh materials sourced from the Nogbele North and Fourkoura pits.
  - Average gold grade milled was impacted by mining in low ore zones of the Nogbele South, the Nogbele North and Fourkoura pits due to focus on waste stripping during the period.
- AISC per ounce is in line with guidance as sustaining capital expenditure, unit mining cost and unit processing cost were as expected.
- Sustaining capital expenditure of $7.5 million was related to waste capitalisation, mining equipment and IT infrastructure upgrades.
- Non-sustaining capital expenditure of $20.3 million related to the TSF stage 2 raise, construction of the airstrip and Foukoura resettlement costs.

2021 Outlook

- Wahgnion is positioned to achieve the bottom half its FY-2021 production guidance of 140 - 155koz at an AISC of $940 - 990 per ounce, for the post acquisition period commencing on 10 February 2021.
- In Q4-2021, mining is expected to continue at Nogbele North, Nogbele South, and Fourkoura pits with significant waste capitalisation continuing. Plant throughput is expected to decrease compared to year to date due to a higher proportion of fresh ore being processed, while process grades are expected to increase.
- The sustaining capital spend outlook for FY-2021 remains unchanged compared to the initial guidance of $14.0 million, of which $7.5 million has been incurred, with the remaining spend mainly related to waste extraction at Fourkoura and Nogbele North pits. The non-sustaining capital spend outlook for FY-2021 also remains unchanged compared to the initial guidance of $26.0 million, of which $20.3 million has been incurred. The Q4-2021 non-sustaining spend mainly relates to construction of a second TSF cell.

2021 Exploration Programme

- An exploration programme of up to $12 million was planned for 2021, of which $8 million was spent year to date consisting of 41,100 meters of drilling across 330 drillholes. During Q3-2021, $5 million was spent on exploration consisting of 31,500 meters of drilling. The exploration efforts continued to focus on Nogbele North and Nogbele South deposits, targeting the continuation of mineralised structures beneath and between the Nogbele pits.
- Exploration efforts ramped up in Q3-2021, with continued focus on the extension and expansion of the Nogbele mineralization and this will continue in Q4-2021 and in 2022.
- Delineation drilling at Fourkoura and Hillside targets, as well as reconnaissance drilling at Ouahiri South, Kassira and Bozogo will continue in Q4-2021 and in 2022.

4.9. DISCONTINUED OPERATIONS

Agbaou Gold Mine, Côte d'Ivoire

Table 27: Agbaou Key Performance Indicators[3]

		THREE MONTHS ENDED		NINE MONTHS ENDED	
	Unit	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating Data					
Tonnes ore mined	kt	—	527	353	1,943
Tonnes of waste mined	kt	—	5,568	2,102	15,833
Tonnes milled	kt	—	641	348	2,048
Average gold grade milled	g/t	—	1.29	1.09	1.25
Recovery rate	%	—	94	95	94
Gold produced	oz	—	24,816	12,575	76,713
Gold sold	oz	—	25,279	14,045	77,769
Realised gold price	$/oz	—	1,848	1,810	1,721
Financial Data ($'000)					
Revenue	$	—	46,722	25,426	133,806
Operating expenses	$	—	(22,210)	(14,250)	(60,601)
Royalties	$	—	(2,689)	(1,418)	(7,486)
Total Cash Cost[1]	**$**	**—**	**(24,899)**	**(15,668)**	**(68,087)**
Sustaining capital[1]	$	—	(3,893)	(223)	(10,715)
Total All-in Sustaining Costs[1]	**$**	**—**	**(28,792)**	**(15,891)**	**(78,802)**
Non-sustaining capital[1]	$	—	(436)	(25)	(886)
All-In Margin[1, 2]	**$**	**—**	**17,494**	**9,510**	**54,118**
Cash cost per ounce sold[1]	**$/oz**	**—**	**985**	**1,116**	**876**
Mine All-In Sustaining Costs per ounce sold[1]	**$/oz**	**—**	**1,139**	**1,131**	**1,013**

[1] Non-GAAP measure. Refer to the non-GAAP Measures section for further details.
[2] All-In Margin is calculated as revenue less all-in costs for the period.
[3] Analysis of operations is only for the period up to its disposal by Endeavour on 1 March 2021.

On 1 March 2021, the Company completed the sale of its 85% interest in the Agbaou mine cash generating unit 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 31 December 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 31 December 2019. The NSR royalty is 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.

YTD-2021 vs YTD-2020 Insights

- Production decreased compared to same period in prior year due to operating the mine for a shorter period as the operations was discontinued through a sale. Average grade decreased due to lower grade at the deeper elevation of the North, West and South pits mined. Recovery rate remained flat.
- AISC increased in line with expectation as a result of lower ounces sold as well as higher mining cost and higher processing cost. This was partially offset by lower sustaining capital spend.

5. FINANCIAL REVIEW

5.1. STATEMENT OF COMPREHENSIVE EARNINGS

Table 28: Statement of Comprehensive Earnings

		THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s)	Notes	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Revenue	[1]	691,707	434,839	2,080,926	870,741
Operating expenses	[2]	(257,470)	(166,270)	(788,579)	(345,590)
Depreciation and depletion	[3]	(156,614)	(115,314)	(446,860)	(193,707)
Royalties	[4]	(42,509)	(30,024)	(130,783)	(60,450)
Earnings from mine operations		**235,114**	**123,231**	**714,704**	**270,994**
Corporate costs	[5]	(11,990)	(5,101)	(42,151)	(15,381)
Acquisition and restructuring costs	[6]	(1,804)	(19,336)	(28,508)	(26,255)
Share-based compensation	[7]	(7,281)	(7,117)	(25,075)	(13,682)
Exploration costs	[8]	(2,855)	(900)	(18,539)	(4,029)
Earnings from operations		**211,184**	**90,777**	**600,431**	**211,647**
(Loss)/gain on financial instruments	[9]	(20,012)	(26,185)	7,258	(101,141)
Finance costs	[10]	(14,696)	(12,213)	(40,708)	(35,534)
Other (expense)/income	[11]	(3,380)	23,089	(13,890)	23,233
Earnings before taxes		**173,096**	**75,468**	**553,091**	**98,205**
Current income tax expense	[12]	(40,395)	(52,648)	(157,006)	(71,917)
Deferred income tax (expense)/recovery	[12]	(158)	40,764	(3,662)	34,260
Net earnings/(loss) from discontinued operations		—	6,580	(3,702)	22,463
Net comprehensive earnings		**132,543**	**70,164**	**388,721**	**83,011**

Review of results for the three and nine months ended 30 September 2021:

1. Revenue for Q3-2021 was $691.7 million compared to $434.8 million for Q3-2020. The increase in revenue in Q3-2021 compared to Q3-2020 is primarily due to the acquisition of the Wahgnion and Sabodala-Massawa mines on 10 February 2021. During Q3-2021, the Wahgnion and Sabodala-Massawa mines contributed 142,907 ounces amounting to $250.2 million of the consolidated revenue while the remaining mines contributed 249,525 ounces amounting to $441.5 million. With respect to these five operations, an increase in total ounces sold favourably impacted revenue by $25.1 million while a decrease in average realised gold price negatively impacted revenue by $18.5 million.

   Revenue for YTD-2021 increased by 139% compared to YTD-2020 due to the acquired Wahgnion and Sabodala-Massawa mines on 10 February 2021, which contributed a total of $653.5 million to revenue YTD-2021, and the inclusion of the Boungou and Mana mines for the full YTD-2021 compared to the period after their acquisition on 1 July 2020, which contributed a total of $528.3 million to revenue for YTD-2021. The realised gold price increased from $1,713 per ounce in YTD-2020 to $1,768 per ounce in YTD-2021 which accounted for an increase in revenue of approximately $43.0 million for the Company's three legacy continuing operations. In addition, 297,226 more ounces sold in YTD-2021 compared to YTD-2020 from the Company's three legacy mines favourably impacted revenue by $179.8 million.

2. Operating expenses for Q3-2021 were $257.5 million compared to $166.3 million in Q3-2020. The increase in operating expenses is due primarily to the addition of the Wahgnion and Sabodala-Massawa mines, with attributable operating expenses of $81.5 million for the current quarter. Additionally, operating expenses at Ity increased by $17.0 million due to increased unit processing costs due to the increase in the proportion transitional and fresh material and the resulting higher reagent consumption.

   The significant increase in operating expenses in YTD-2021 compared to the same period in the prior year was due to the addition of the Mana and Boungou mines, which were acquired on 1 July 2020, as well as the acquisition of the Wahgnion and Sabodala-Massawa mines, which were acquired on 10 February 2021. The total operating expenses for these four mines was $454.2 million. Ity, Karma and Houndé mine's operating expenses were higher in YTD-2021 compared to same period in 2020 due to increased mining costs as well as increased production at Ity and Houndé.

3. Depreciation and depletion in Q3-2021 was $156.6 million compared to $115.3 million in Q3-2020 with the increase mainly attributable to the acquisition of the Wahgnion and Sabodala-Massawa mines. Depreciation and depletion increased in YTD-2021 by $253.2 million compared to YTD-2020 with the inclusion of Mana and Boungou for the full YTD-2021, and with the acquisition of the Wahgnion and Sabodala-Massawa mines from 10 February 2021. The depletion charge also reflects the higher carrying values for the mining interests upon determination of the fair values of these four mines upon acquisition.
4. Royalties were $42.5 million for Q3-2021, compared to $30.0 million in Q3-2020, and $130.8 million in YTD-2021 compared to $60.5 million in YTD-2020. The increase in royalty expense in the quarter to date is due to the inclusion of the Wahgnion and Sabodala-Massawa mines acquired on 10 February 2021. The increase in year to date royalty expense is due to the inclusion of Wahgnion and Sabodala-Massawa mines, as well as the inclusion of the Mana and Boungou mines for the full YTD-2021 period. Royalties were further impacted by the increase in the realised gold price. The underlying royalty rates based on the sliding scale were 5% for both Burkina Faso, and Côte d'Ivoire for Q3-2021 and YTD-2021, as well as Q3-2020 and YTD-2020. The gold royalty rate in Senegal is a flat 5%.
5. Corporate costs were $12.0 million for Q3-2021 compared to $5.1 million for Q3-2020, and $42.2 million for YTD-2021 compared to $15.4 million for YTD-2020. The increase in corporate costs are primarily due to costs associated with listing on the LSE, which were $3.0 million and $11.2 million in Q3-2021 and YTD-2021 respectively. There were also additional corporate costs following the integration of SEMAFO and Teranga head office costs, which has increased the overall corporate administrative costs of the Group.
6. Acquisition and restructuring costs were $1.8 million in Q3-2021 compared to $19.3 million in Q3-2020, and $28.5 million in YTD-2021 compared to $26.3 million in YTD-2020. The Q3-2021 and YTD-2021 costs relate to ongoing restructuring and other legal costs related to the Teranga assets which were acquired on 11 February 2021 while the prior period cost mainly consisted of costs related to the integration of the SEMAFO assets after their acquisition on 1 July 2020.
7. Share based compensation was $7.3 million in Q3-2021 compared to $7.1 million for Q3-2020, and $25.1 million in YTD-2021 compared to $13.7 million in YTD-2020. The increase is mainly due to the increase in fair value of performance share units ("PSUs") granted. The fair value of the PSUs is determined based on total shareholder return relative to peer companies and achieving certain operational performance measures.
8. Exploration costs in Q3-2021 were $2.9 million compared to $0.9 million in Q3-2020, and $18.5 million in YTD-2021 compared to $4.0 million in YTD-2020. The increase in exploration cost is related to a larger exploration portfolio and increased greenfield exploration activities mainly at the newly acquired Teranga exploration properties.
9. The loss on financial instruments was $20.0 million in Q3-2021 compared to a loss of $26.2 million in Q3-2020. The loss in Q3-2021 is mainly due to the net impact of a loss on change in fair value of the warrant liabilities, call rights and contingent consideration of $0.6 million, $1.9 million and $3.1 million respectively, a realised gain on forward contracts of $5.0 million, a gain on other financial instruments of $2.7 million and foreign exchange losses of $23.3 million. In YTD-2021, there was a gain on financial instruments of $7.3 million compared to a loss in the comparative prior period of $101.1 million. The gain in YTD-2021 is primarily due to the net impact of the unrealised gain on the convertible senior bond derivative of $31.3 million, a loss on foreign exchange of $29.5 million, a realised gain on forward contracts of $7.8 million, and a loss on change in fair value of warrant liabilities and contingent consideration of $2.2 million and $2.4 million, respectively.
10. Finance costs were $14.7 million for Q3-2021 compared to $12.2 million in Q3-2020, and $40.7 million in YTD-2021 compared to $35.5 million in YTD-2020. Finance costs are primarily associated with interest expense on the revolving credit facility ("RCF") and bridge facility, convertible debt, finance obligations, and lease liabilities.
11. Other expenses was $3.4 million for Q3-2021 compared to an income of $23.1 million in Q3-2020. Other expenses in Q3-2021 consist mainly of a write down of assets at Ity. Other expenses for YTD-2021 was $13.9 million compared to an income of $23.2 million in YTD-2020. Other expenses for YTD-2021 mainly relates to the loss on disposal of assets at Ity of $12.3 million as well as donations and covid related expenses at Corporate of $1.6 million.
12. Current income tax expense was $40.4 million and $157.0 million in Q3-2021 and YTD-2021 respectively compared to $52.6 million and $71.9 million in Q3-2020 and YTD-2020, respectively. Current income tax expense for Q3-2021 increased in comparison to Q3-2020 primarily due to the inclusion of the current tax expense at the Wahgnion and Sabodala-Massawa mines acquired on 10 February 2021. Current income tax expense for YTD-2021 increased when compared to YTD-2020 due to the inclusion of the Wahgnion and Sabodala-Massawa mines acquired on 10 February 2021 and due to the inclusion of the Mana and Boungou mines for the full YTD-2021 period compared to the prior year, which was for the three months after their acquisition on 1 July 2020.

5.2. CASH FLOWS

Table 29: Summarised cash flows

($'000s)	Note	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating cash flows before changes in working capital	[1]	325,880	195,348	874,948	365,586
Changes in working capital	[2]	(13,974)	(13,352)	(55,824)	(30,194)
Cash generated from/(used by) discontinued operations		—	19,197	(8,808)	49,172
Cash generated from operating activities	[3]	311,906	201,193	810,316	384,564
Cash (used in)/generated from investing activities	[4]	(136,807)	41,753	(379,391)	(63,572)
Cash (used in)/generated from financing activities	[5]	(232,859)	(74,041)	(360,018)	9,691
Effect of exchange rate changes on cash		(14,748)	2,602	(25,214)	2,752
(Decrease)/increase in cash		**(72,508)**	**171,507**	**45,693**	**333,435**

1. Operating cash flows before changes in working capital for Q3-2021 and YTD-2021 were $325.9 million and $874.9 million respectively compared to $195.3 million in Q3-2020 and $365.6 million in YTD-2020. The increase in the Q3 comparative periods is attributable to the acquisition of the Wahgnion and Sabodala-Massawa operating mines on 10 February 2021, while the acquisition of the Mana and Boungou mines on 1 July 2020 also contributed to the increase in the YTD operating cash flows.
   – Income taxes paid were $55.5 million in Q3-2021 and $185.6 million in YTD-2021 compared to $32.4 million and $49.2 million in Q3-2020 and YTD-2020, respectively. These higher cash payments relative to the comparative periods are reflective of the increase in the Company's earnings and higher provisional payments in 2021 based on 2020 earnings, as well as higher withholding tax payments on dividends declared at mine sites based on 2020 earnings. Taxes paid for the three and nine months ended 30 September 2021 and 30 September 2020 for each of the Group's mine sites are summarised in the table below:

Table 30: Tax payments

($'000s)	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Boungou	9,837	1,351	43,648	1,351
Houndé	10,694	7,183	37,203	13,963
Ity	9,675	17,228	37,272	24,737
Karma	287	—	1,459	—
Mana	4,329	—	9,334	—
Sabodala-Massawa	—	n.a.	19,364	n.a.
Wahgnion	1,992	n.a.	9,843	n.a.
Other[1]	18,689	6,661	27,444	9,129
Taxes from continuing operations	**55,503**	**32,423**	**185,567**	**49,180**
Agbaou	—	1,190	19,918	13,105
Consolidated taxes paid	**55,503**	**33,613**	**205,485**	**62,285**

[1]*Included in the "Other" category is taxes paid by corporate and exploration entities.*

2. The Q3-2021 and YTD-2021 changes in working capital is an outflow of $14.0 million and an outflow of $55.8 million respectively, which is broken down as follows:
   – Receivables were an outflow of $3.8 million for Q3-2021 and an outflow of $9.2 million for YTD-2021. The outflow in Q3-2021 is mainly due to an increase in VAT receivables at the Boungou and Mana mines offset by a decrease in VAT receivables at the Houndé and Ity mines, based on timing differences of VAT paid in the period relative to reimbursements. The FY-2021 outflow is mainly due to the increase in VAT receivable at Mana and Boungou mines, offset by a decrease in amounts receivable from a third party at corporate of $8.0 million.
   – Inventories were an inflow of $23.9 million for Q3-2021 and an inflow of $48.7 million in YTD-2021. The inflow in Q3-2021 is due primarily to the unwinding of the PPA fair value adjustment to stockpiles at the Sabodala-Massawa and

Wahgnion mines, and due to a decrease in inventory stockpiles and finished good balances at Houndé which was slightly offset by an increase in stockpiles at Karma and Ity. The inflow in YTD-2021 is mainly due to the unwinding of the PPA fair value adjustment to inventory at the Boungou, Mana, Sabodala-Massawa and Wahgnion mines as well as a decrease in finished goods and Gold-in-Circuit ("GIC") at the Ity and Karma mines.

– Prepaid expenses and other was an outflow of $3.9 million for Q3-2021 and an outflow of $7.8 million for YTD-2021. The outflow in Q3-2021 was mainly due to an increase in prepayments of $3.3 million at Hounde and $1.4 million at Corporate. The outflow for YTD-2021 was mainly due to an increase in prepaid capital at Corporate of $1.3 million, at Houndé of $3.9 million, Ity of $1.9 million and Wahgnion of $1.4m offset by a decrease in prepayments at Boungou of $2.9 million.

– Accounts payable was an outflow of $30.2 million in Q3-2021 and $87.6 million in YTD-2021. The outflow in Q3-2021 mainly relates to payments made at Boungou, Ity and Mana while acquisition related costs paid in relation to the Teranga acquisition also contributed to the outflow in YTD-2021.

3. Operating cash flows after changes in working capital in Q3-2021 and YTD-2021 were $311.9 million and $810.3 million respectively compared to $201.2 million and $384.6 million in Q3-2020 and YTD-2020 respectively. Q3-2021 increased by $110.7 million compared to Q3-2020 mainly due to an increase in earnings before taxes due to the addition of the Sabodala-Massawa and Wahgnion mines on 10 February 2021. YTD-2021 operating expenses has increased by $425.8 million relative to YTD-2020 due to increased production for the year from the Company's legacy mines, as well as from the addition of Wahgnion, Sabodala-Massawa, Mana and Boungou mines.
4. Cash flows used by investing activities were $136.8 million and $379.4 million in Q3-2021 and YTD-2021 respectively compared to an inflow of $41.8 million and a $63.6 million outflow in Q3-2020 and YTD-2020 respectively. The Q3-2021 and the YTD-2021 amount was a larger outflow compared to prior year comparative periods mainly due to expenditure on mining interests of $132.5 million for Q3-2021 and $390.2 million for YTD-2021 given the increase in the size of the Group's operations. Q3-2021 did not benefit from cash of $93.0 million acquired on the acquisition of SEMAFO during Q3-2020 which resulted in the inflow in the comparative period. The YTD-2021 amount included cash acquired on acquisition of Teranga of $27.0 million which is less than the $93.0 million acquired from Semafo in YTD-2020.
5. Cash flows used in financing activities were $232.9 million and $360.0 million in Q3-2021 and YTD-2021 respectively compared to a cash outflow of $74.0 million and a cash inflow of $9.7 million in Q3-2020 and YTD-2020 respectively. A dividend payment of $99.8 million, a repayment of long-term debt of $80.0 million and payments for the acquisition of the Company's own shares of $34.6 million contributed to the outflow in Q3-2021. The outflow in YTD-2021 was due to a net repayment of long-term debt of $153.0 million, a payment of dividends amounting to $159.8 million, payments for the acquisition of the Company's own shares of $94.1 million, the settlement of the gold offtake agreement which was acquired from Teranga amounting to $49.7 million, repayments of lease obligations of $23.9 million offset by proceeds received from the issue of common shares of $200.0 million.

5.3. SUMMARISED STATEMENT OF FINANCIAL POSITION

Table 31: Summarised Statement of Financial Position

($'000s)	As at 30 September 2021	As at 31 December 2020
ASSETS		
Cash	760,368	644,970
Other current assets	525,726	272,059
Current assets excluding assets held for sale	1,286,094	917,029
Assets held for sale	—	180,808
Total current assets	***1,286,094***	***1,097,837***
Mining interests	5,001,462	2,577,844
Deferred income taxes	10,263	19,774
Other long term assets	495,901	173,740
TOTAL ASSETS	6,793,720	3,869,195
LIABILITIES		
Other current liabilities	374,416	275,935
Income taxes payable	203,042	134,205
Current liabilities excluding liabilities held for sale	577,458	410,140
Liabilities held for sale	—	112,796
Total current liabilities	***577,458***	***522,936***
Long-term debt	850,434	688,266
Environmental rehabilitation provision	128,510	78,011
Other long-term liabilities	139,592	26,463
Deferred income taxes	621,595	305,101
TOTAL LIABILITIES	**2,317,589**	**1,620,777**
TOTAL EQUITY	**4,476,131**	**2,248,418**
TOTAL EQUITY AND LIABILITIES	**6,793,720**	**3,869,195**

- Other current assets as at 30 September 2021 consists of $126.9 million of trade and other receivables, $355.2 million of inventories and $43.6 million of prepaid expenses and other.
  - Trade and other receivables increased by $71.7 million compared to 31 December 2020 mainly due to the inclusion of VAT receivable acquired at Wahgnion mine, increases in VAT at Mana and Boungou in the period, and an increase in other amounts receivable at Ity relating to the sale of mining equipment to the mining contractor. VAT received during the nine months ended 30 September 2021 was $68.2 million consisting of proceeds from the Group's mines in Burkina Faso, while the VAT amounts receivable for assets located in Cote d'Ivoire and Senegal are nominal.
  - Inventories increased by $164.6 million primarily due to the inclusion of the inventories at the Wahgnion and Sabodala-Masawa mines from acquisition, offset by a decrease in doré bars at all the Company's remaining operating mines other than Boungou.
  - Prepaid expenses and other increased by $17.3 million primarily due to the prepayments acquired from the Sabodala-Massawa and Wahgnion mines.
- Mining interests increased by $2.4 billion primarily due to the acquisition of mineral property of the Teranga assets.
- Other long-term assets are made up of $262.2 million of goodwill related to the Semafo and Teranga acquisitions, $156.0 million of long-term stockpiles not expected to be used in the next twelve months at the Houndé, Ity, Sabodala-Massawa and Wahgnion mines, $46.0 million long-term assets related to the sale of Agbaou, as well as $30.5 million of restricted cash relating to reclamation bonds. Other long-term assets increased by $322.2 million in 2021 compared to Q4-2020 mainly due to the recognition of goodwill arising from the transaction with Teranga, as well as the long-term assets of $46.0 million consisting of shares and an NSR recognised as consideration upon the sale of Agbaou.

- Other current liabilities are made up of $323.4 million of trade and other payables, $35.2 million of derivatives related to warrants and call-rights, and $15.8 million of lease obligations. Trade and other payables increased by $61.1 million mainly due to the inclusion of the Teranga assets accounting for an additional $110.9 million compared to prior year.
- Income taxes payable increased by $68.8 million compared to the prior year and is due to the inclusion of the Sabodala-Massawa and Wahgnion mines acquired during the year.

5.4. LIQUIDITY AND FINANCIAL CONDITION

Net Debt Position

The following table summarises the Company's net debt position as at 30 September 2021 and 31 December 2020.

Table 32: Net Debt Position

($'000s)	30 September 2021	31 December 2020
Cash and cash equivalents	760,368	644,970
Cash included in assets held for sale	—	69,705
Less: Principal amount of convertible senior bond	(330,000)	(330,000)
Less: Drawn portion of corporate loan facilities[1]	(500,000)	(310,000)
Net (Debt)/Cash	**(69,632)**	**74,675**
Net Debt/(Cash) / Adjusted EBITDA LTM ratio[2]	**0.05**	**(0.09)**

[1] *Corporate loan facilities are presented at face value.*

[2] *Adjusted EBITDA is per table 35 and is calculated using the trailing twelve months Adjusted EBITDA.*

Equity and Capital

On 14 June 2021, the Company announced its entire issued ordinary share capital consisting of 250,491,775 shares had been admitted to the premium listing segment of the LSE. The Company no longer has authorised share capital. On 29 September 2021, as part of the Company's capital reduction strategy to create distributable reserves, the Company capitalised $4.5 billion of its merger reserve and applied the amount in full to allot $4.5 billion to new deferred shares with a par value of $1.00 each. The deferred shares do not carry any dividend or voting rights, with no meaningful economic value and were issued solely to enable a reduction of capital to be effected. The deferred shares were cancelled subsequent to 30 September 2021. The table below summarises Endeavour's share structure at 30 September 2021.

Table 33: Outstanding Shares

	30 September 2021	31 December 2020
Shares issued and outstanding		
Ordinary voting shares	249,128,987	163,036,473
Deferred shares	4,450,000,000	—
Stock options	1,906,189	—

As at 10 November 2021, the Company had 249,296,462 shares issued and outstanding, and 1,703,720 outstanding stock options. On 5 October 2021, the Company cancelled all 4,450,000,000 deferred shares at a par value of $1,00 each.

As part of the Company's share buyback programme, subsequent to 30 September 2021 and up to 10 November 2021, the Company has repurchased a total of 39,100 shares at an average price of $22.73, for total cash outflows of $0.9 million.

Going Concern

The directors have performed an assessment of whether the Company would be able to continue as a going concern for at least the next twelve-month period. In their assessment, the Company has taken into account its financial position, expected future trading performance, its debt and other available credit facilities, future debt servicing requirements, its working capital and capital expenditure commitments and forecasts.

At 30 September 2021, the Company's net debt was $69.6 million with gross debt of $830.0 million and cash and cash equivalents of $760.4 million. Subsequent to 30 September 2021, the Company completed an offering of $500.0 million in fixed senior notes (the "Notes") and entered a new $500.0 million unsecured revolving credit facility (the "New RCF"), which will be used to repay the existing loan facilities.

Based on a detailed cash flow forecast prepared by management, in which it included any reasonably possible change in the key assumptions on which the cash flow forecast is based, and taking into account possible changes in performance due to the COVID-19 pandemic impact, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for twelve months from 10 November 2021 and that at this point in time there are no material uncertainties regarding going concern. Key assumptions underpinning this forecast include a gold price of $1,500 per ounce and production volumes in line with annual guidance.

The Board is satisfied that the going concern basis of accounting is an appropriate assumption to adopt in the preparation of the interim report for the period ended 30 September 2021.

5.5. RELATED PARTY TRANSACTIONS

A related party is considered to include shareholders, affiliates, associates and entities under common control with the Company and members of key management personnel.

Key management compensation

During the nine months ended 30 September 2021, an amount of $13.5 million was paid to key management personnel as incentive awards for the completion of the Teranga and SEMAFO acquisitions and the successful listing on the LSE, as well as for termination benefits following the acquisition of SEMAFO and Teranga.

Other related party transactions

During the nine-month period ended 30 September 2021, the Company entered into a transaction with La Mancha Holding S.àr.l. ("La Mancha") when 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. La Mancha's future anti-dilution rights have now been extinguished and La Mancha's ownership interest in Endeavour was 19.4% at 30 September 2021 (31 December 2021 - 24.1%).

During the nine-month period ended 30 September 2021, and prior to the Company listing on the London Stock Exchange, the Company established an Employee Benefits Trust ("EBT") in connection with the Company's employee share incentive plans, which may hold repurchased shares on trust to settle future employee share incentive obligations. During the three months ended 30 June 2021, the EBT acquired 576,308 outstanding common shares from certain employees of the Group, which remain held in the EBT at 30 September 2021. In exchange for the shares, the Group is obligated to repay the employees cash for the fair value of the underlying shares of the Company now held in the EBT. The amount of this liability is $14.4 million at 30 September 2021 and is included in current financial liabilities.

5.6. ACCOUNTING POLICIES AND CRITICAL JUDGEMENTS

Critical judgements and key sources of estimation uncertainty

The Company's management has made critical judgments and estimates in the process of applying the Company's accounting policies to the consolidated financial statements that have significant effects on the amounts recognised in the Company's consolidated financial statements. These judgements and estimations include commencement of commercial production, determination of economic viability, functional currency, indicators of impairment and impairment of mining interests, assets held for sale and discontinued operations, value added tax, estimated recoverable ounces, mineral reserves, environmental rehabilitation costs, share-based payments, net realisable value and obsolete stock provisions of inventories, current income tax provisions, business combinations, capitalisation of waste stripping, the Purchase Price Allocation ("PPA") of the SEMAFO acquisition and the PPA of the Teranga acquisition, which is still provisional. The judgements applied in the period ended 30 September 2021 are consistent with those in the consolidated financial statements for the year ended 31 December 2020, except for the judgements and estimates made relating to the acquisition of Teranga in the quarter ended 31 March 2021.

6. USE OF PROCEEDS

On 14 October 2021, the Company completed an offering of fixed rate senior notes due in 2026 as well as entered into the New RCF. The Company used the proceeds of $500.0 million from the issuance of the Notes, together with cash on the Group's balance sheet, to repay all amounts outstanding under the Group's $370.0 million bridge term loan facility, which was used to retire higher cost debt facilities acquired upon the acquisition of Teranga Gold Corporation, to repay the $130 million drawn under the Group's existing revolving credit facility, and to pay fees and expenses in connection with the offering of the Notes. The Company intends to use the proceeds of the $500.0 million New RCF for general corporate purposes as required, but there is no amount currently drawn on the New RCF. The New RCF replaces the Bridge Facility and the existing RCF which was cancelled upon completion of the Notes offering.

In the Company's prospectus supplement dated 29 March 2021 to the short form base shelf prospectus dated 17 June 2020, the Company disclosed that they intended to use the proceeds of $200.0 million from the issuance of approximately 8.9 million common shares to partially repay outstanding indebtedness under the refinancing of the debt upon the acquisition of Teranga and for general corporate purposes. The Company repaid $120.0 million of the outstanding balance of the revolving credit facility in Q2-2021. The remainder of the proceeds are being used for general working capital purposes, including fees related to the acquisition and integration of Teranga, expenses related to the London listing, as well as general corporate costs. There has been no change on how the remaining proceeds are expected to be used.

In the Company's prospectus supplement dated 2 July 2020 to the short form base shelf prospectus dated 17 June 2020, the Company disclosed that they intended to use the proceeds of $100.0 million from the issuance of approximately 4.5 million common shares for general corporate purposes. As disclosed in the prospectus supplement, the Company has used the proceeds from that financing for general corporate purposes over the past twelve months, including for costs related to the acquisition and integration of SEMAFO, as well as general corporate costs.

7. NON-GAAP MEASURES

This Management Report as well as the Company's other disclosures contain multiple non-GAAP measures, which the Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use to assess the performance of the Company. These do not have a standard meaning and are intended to provide additional information which are not necessarily comparable with similar measures used by other companies and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The definitions of these measures, and the reconciliation to the amounts presented in the condensed interim consolidated financial statements, and the reasons for these measures are included below. The non-GAAP measures are consistent with those presented previously and there have been no changes to the bases of calculation, except with respect to the determination of free cash flows, the definition of which has been changed to be more consistent with our peers and reflective of how management evaluates the free cash flows of the Company.

7.1. ALL-IN MARGIN

The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use the all-in margin and adjusted earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA") to evaluate the Company's performance and ability to generate cash flows and service debt. These do not have a standard meaning and are intended to provide additional information which are not necessarily comparable with similar measures used by other companies and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The following tables provide the illustration of the calculation of this margin, for the three and nine months ended 30 September 2021 and 30 September 2020.

Table 34: All-In Sustaining Margin and All-In Margin

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s except ounces sold)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Revenue	691,707	434,839	2,080,926	870,741
Less: Total cash costs	(291,423)	(187,029)	(871,114)	(394,849)
Less: Corporate G&A[1]	(8,979)	(5,101)	(30,927)	(15,381)
Less: Sustaining capital	(54,505)	(16,069)	(123,611)	(45,003)
All-in sustaining margin from continuing operations	**336,800**	**226,640**	**1,055,274**	**415,508**
Gold ounces sold	392,432	236,292	1,176,711	508,184
All-in sustaining margin per ounce sold from continuing operations	**858**	**959**	**897**	**818**
Less: Non-Sustaining capital	(41,458)	(25,497)	(156,547)	(64,876)
Less: Non-Sustaining exploration	(25,650)	(7,670)	(58,686)	(40,163)
All-in margin from continuing operations	**269,692**	**193,473**	**840,041**	**310,469**

[1]*Corporate G&A costs included in the calculation for all-in sustaining margin and all-in margin has been adjusted to exclude expenses associated to listing on the LSE of $3.0 million for the three months and $11.2 million for the nine months ended 30 September 2021.*

7.2. EBITDA AND ADJUSTED EBITDA

The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use the earnings before interest, tax, depreciation and amortisation ("EBITDA") and the adjusted earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA") to evaluate the Company's performance and ability to generate cash flows and service debt. The following tables provide the illustration of the calculation of this margin, for the three and nine months ended 30 September 2021 and 30 September 2020.

Table 35: EBITDA and Adjusted EBITDA

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Earnings before taxes	173,096	75,468	553,091	98,205
Add back: Depreciation and depletion	156,614	115,314	446,860	193,707
Add back: Finance costs	14,696	12,213	40,708	35,534
EBITDA from continuing operations	**344,406**	**202,995**	**1,040,659**	**327,446**
Add back: Acquisition and restructuring costs	1,804	19,336	28,508	26,255
Add back: Other expense/(income)	3,380	(23,089)	13,890	(23,233)
Add back: Loss/(gain) on financial instruments	20,012	26,185	(7,258)	101,141
Adjusted EBITDA from continuing operations	**369,602**	**225,427**	**1,075,799**	**431,609**

7.3. CASH AND ALL-IN SUSTAINING COST PER OUNCE OF GOLD SOLD

The Company reports cash costs and all-in sustaining costs based on ounces of gold sold. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors may find this information useful to evaluate the costs of production per ounce. The following table provides a reconciliation of cash costs per ounce of gold sold, for the three and nine months ended 30 September 2021 and 30 September 2020.

Table 36: Cash Costs

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s except ounces sold)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating expenses from mine operations	(257,470)	(166,270)	(788,579)	(345,590)
Royalties	(42,509)	(30,024)	(130,783)	(60,450)
Non-cash and other adjustments	8,556	9,265	48,248	11,191
Cash costs from continuing operations	**(291,423)**	**(187,029)**	**(871,114)**	**(394,849)**
Gold ounces sold	392,432	236,292	1,176,711	508,184
Total cash cost per ounce of gold sold from continuing operations	**743**	**792**	**740**	**777**
Cash costs from discontinued operations	—	(24,899)	(15,668)	(68,087)
Total cash costs	**(291,423)**	**(211,928)**	**(886,782)**	**(462,936)**
Gold ounces sold	392,432	261,571	1,190,756	585,953
Total cash cost per ounce of gold sold	**743**	**810**	**745**	**790**

The Company is reporting all-in sustaining costs per ounce sold. This non-GAAP measure provides investors with transparency regarding the total cash cost of producing an ounce of gold in each period, including those capital expenditures that are required for sustaining the on-going operation of the mines.

Table 37: All-In Sustaining Costs

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s except ounces sold)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Total cash costs for ounces sold from continuing operations	(291,423)	(187,029)	(871,114)	(394,849)
Corporate G&A[1]	(8,979)	(5,101)	(30,927)	(15,381)
Sustaining Capital	(54,505)	(16,069)	(123,611)	(45,003)
All-in sustaining costs from continuing operations	(354,907)	(208,199)	(1,025,652)	(455,233)
Gold ounces sold	392,432	236,292	1,176,711	508,184
All-in sustaining costs per ounce sold from continuing operations	**904**	**881**	**872**	**896**
Including discontinued operations				
All in sustaining costs from Agbaou	—	(28,792)	(15,891)	(78,802)
All-in sustaining costs from all operations	(354,907)	(236,991)	(1,041,543)	(534,035)
Gold ounces sold	392,432	261,571	1,190,756	585,953
All-in sustaining cost per ounce sold	**904**	**906**	**875**	**911**

[1]Corporate G&A costs included in the calculation for all-in sustaining costs has been adjusted to exclude expenses associated to listing on the LSE of $3.0 million for the three months and $11.2 million for the nine months ended 30 September 2021.

The Company presents its sustaining capital expenditures in its all-in sustaining costs to reflect the capital expenditures related to producing and selling gold from its on-going mine operations. The distinction between sustaining and non-sustaining capital reflects the definition set out by the World Gold Council. Non-sustaining capital is capital expenditure incurred at new projects and costs related to major projects or expansions at existing operations where these projects will materially benefit the operations. This non-GAAP measure provides investors with transparency regarding the capital costs required to support the on-going operations at its mines, relative to its total capital expenditures. Readers should be aware that these measures do not have a standardised meaning. It is intended to provide additional information and should not be considered in isolation, or as a substitute for measures of performance prepared in accordance with IFRS.

Table 38: Sustaining and Non-Sustaining Capital

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Expenditures on mining interests	132,469	53,565	390,451	165,842
Non-sustaining capital expenditures[1]	(41,458)	(25,933)	(156,572)	(65,762)
Non-sustaining exploration	(25,650)	(7,670)	(58,686)	(40,163)
Growth projects	(10,856)	—	(51,359)	(4,199)
Sustaining Capital[1]	**54,505**	**19,962**	**123,834**	**55,718**

[1]Non-sustaining and sustaining capital expenditures include amounts incurred at the Agbaou mine.

Table 39: Consolidated Sustaining Capital

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Boungou	3,403	505	16,468	505
Houndé	21,858	6,999	35,162	29,890
Ity	5,526	2,249	17,866	5,625
Karma	17	1,535	499	4,202
Mana	2,130	4,781	10,150	4,781
Sabodala-Massawa	17,519	—	35,965	—
Wahgnion	4,052	—	7,501	—
Sustaining capital from continuing operations	**54,505**	**16,069**	**123,611**	**45,003**
Agbaou	—	3,893	223	10,715
Total sustaining capital from all operations	**54,505**	**19,962**	**123,834**	**55,718**

Table 40: Consolidated Non-Sustaining Capital

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Boungou	5,449	848	13,874	848
Houndé	619	7,327	10,300	14,892
Ity	3,944	3,697	24,367	25,390
Karma	239	1,706	3,134	7,618
Mana	11,222	9,953	56,387	9,953
Sabodala-Massawa	10,150	—	19,891	—
Wahgnion	7,536	—	20,294	—
Non-mining	2,299	1,966	8,300	6,175
Consolidated non-sustaining capital	**41,458**	**25,497**	**156,547**	**64,876**
Agbaou	—	436	25	886
Total non-sustaining capital from all operations	**41,458**	**25,933**	**156,572**	**65,762**

7.4. ADJUSTED NET EARNINGS AND ADJUSTED NET EARNINGS PER SHARE

Net earnings have been adjusted for items considered exceptional in nature and not related to Endeavour's core operation of mining assets. The presentation of adjusted net earnings may assist investors and analysts to understand the underlying operating performance of our core mining business. However, adjusted net earnings and adjusted net earnings per share do not have a standard meaning under IFRS. They should not be considered in isolation, or as a substitute for measures of performance prepared in accordance with IFRS and are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS.

The following table reconciles these non-GAAP measures to the most directly comparable IFRS measure.

Table 41: Adjusted Net Earnings

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s except per share amounts)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Total net and comprehensive earnings	132,543	70,164	388,721	83,011
Net (loss)/earnings from discontinued operations	—	(6,580)	3,702	(22,463)
Deferred income tax expense/(recovery)	158	(40,764)	3,662	(34,260)
Loss/(gain) on financial instruments	20,012	26,185	(7,258)	101,141
Other expenses/(income)	3,380	(23,089)	13,890	(23,233)
Share-based compensation	7,281	7,117	25,075	13,682
Acquisition and restructuring costs	1,804	19,336	28,508	26,255
Non-cash and other adjustments[1]	8,556	34,750	48,248	36,676
Adjusted net earnings	**173,734**	**87,119**	**504,548**	**180,809**
Attributable to non-controlling interests	**20,770**	**6,572**	**75,263**	**26,595**
Attributable to shareholders of the Corporation	**152,964**	**80,547**	**429,285**	**154,214**
Weighted average number of shares issued and outstanding	249,982,123	162,986,253	236,866,722	128,314,951
Adjusted net earnings from continuing operations per basic share	**0.61**	**0.49**	**1.81**	**1.20**

[1] Non-cash and other adjustments mainly relate to non-cash fair value adjustments to inventory associated with the purchase price allocation of SEMAFO and Teranga.

7.5. OPERATING CASH FLOW PER SHARE

The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use free cash flow to assess the Company's ability to generate and manage liquid resources. These terms do not have a standard meaning and are intended to provide additional information. They should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Table 42: Operating Cash Flow (OCF) and Operating Cash Flow (OCF) per share

	THREE MONTHS ENDED		NINE MONTHS ENDED	
($'000s except per share amounts)	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating cash flow				
Cash generated from operating activities by continuing operations	**311,906**	**181,996**	**819,124**	**335,392**
Changes in working capital from continuing operations	13,974	13,352	55,824	30,194
Operating cash flows before working capital from continuing operations	**325,880**	**195,348**	**874,948**	**365,586**
Divided by weighted average number of outstanding shares, in thousands	249,982	162,986	236,867	128,315
Operating cash flow per share from continuing operations	**$ 1.25**	**$ 1.12**	**$ 3.46**	**$ 2.61**
Operating cash flow per share before working capital from continuing operations	**$ 1.30**	**$ 1.20**	**$ 3.69**	**$ 2.85**

7.6. NET DEBT, NET CASH/ADJUSTED EBITDA RATIO

The Company is reporting Net Debt/ Cash and Net Debt/ Cash/Adjusted EBITDA LTM ratio. This non-GAAP measure provides investors with transparency regarding the liquidity position of the Company. It is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The calculation of net debt and net cash is shown in table 32. The following table explains the calculation of net debt, net cash/ Adjusted EBITDA LTM ratio using the last twelve months of Adjusted EBITDA.

Table 43: Net Debt, Net Cash/ Adjusted EBITDA LTM ratio

($'000s)	30 September 2021	31 December 2020
Net Debt/(Cash)	69,632	(74,675)
Trailing twelve month Adjusted EBITDA[1]	1,347,336	802,773
Net Debt/(Cash) / Adjusted EBITDA LTM ratio	**0.05**	**(0.09)**

[1] Trailing twelve month Adjusted EBITDA is calculated using Adjusted EBITDA as reported in prior periods for each quarter prior to Q3-2021 adjusted to exclude results of discontinued operations and for the effects of retrospective PPA adjustments.

7.7. RETURN ON CAPITAL EMPLOYED

The Company uses Return on Capital Employed ("ROCE") as a measure of long-term operating performance to measure how effectively management utilises the capital it has been provided. The calculation of ROCE, expressed as a percentage, is Adjusted EBIT (based on Adjusted EBITDA as per table 35 adjusted to include Adjusted EBITDA from discontinued operations) 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.

Table 44: Return on Capital Employed

	TRAILING TWELVE MONTHS	
($'000s unless otherwise stated)	30 September 2021	30 September 2020
Adjusted EBITDA	1,347,336	603,735
Depreciation and amortisation	(515,500)	(296,629)
Adjusted EBIT (A)	**831,836**	**307,106**
Opening Capital employed (B)	**3,422,953**	**1,753,314**
Total Assets	6,793,720	3,854,799
Current Liabilities	(577,458)	(431,846)
Closing Capital employed (C)	**6,216,262**	**3,422,953**
Average Capital Employed (D)=(B+C)/2	**4,819,608**	**2,588,134**
ROCE (A)/(D)	**17%**	**12%**

8. QUARTERLY AND ANNUAL FINANCIAL AND OPERATING RESULTS

The following tables summarise the Company's financial and operational information for the last eight quarters and three fiscal years.

Table 45: 2021 - 2020 Quarterly Key Performance Indicators

	FOR THE THREE MONTHS ENDED			
($'000s except ounces sold)	30 September 2021	30 June 2021	31 March 2021	31 December 2020
Gold ounces sold	392,432	420,761	363,518	300,622
Revenue	691,707	753,427	635,792	553,370
Operating cash flows from continuing operations	311,906	300,476	206,743	374,481
Earnings from continuing mine operations	235,114	272,975	206,615	218,372
Net comprehensive earnings	132,543	148,951	107,229	29,271
Net comprehensive loss from discontinued operations	—	—	(3,702)	(44,266)
Net earnings from continuing operations attributable to shareholders	113,587	126,780	86,664	64,642
Net loss from discontinued operations attributable to shareholders	—	—	(5,168)	(42,359)
Basic earnings per share from continuing operations	0.45	0.50	0.42	0.40
Diluted earnings per share from continuing operations	0.45	0.50	0.41	0.40
Basic earnings per share from all operations	0.45	0.50	0.39	0.14
Diluted earnings per share from all operations	0.45	0.50	0.39	0.14

Table 46: 2020 - 2019 Quarterly Key Performance Indicators

	FOR THE THREE MONTHS ENDED			
($'000s except ounces sold)	30 September 2020	30 June 2020	31 March 2020	31 December 2019
Gold ounces sold	236,292	124,761	147,131	139,058
Revenue	434,839	209,581	226,321	199,406
Operating cash flows from continuing operations	182,686	53,495	99,901	92,005
Earnings from continuing mine operations	123,229	75,582	72,182	44,757
Net comprehensive earnings/(loss)	70,163	(22,616)	35,463	(113,076)
Net comprehensive earnings/(loss) from discontinued operations	6,581	7,904	7,978	(1,604)
Net earnings/(loss) from continuing operations attributable to shareholders	52,393	(41,181)	19,366	(111,662)
Net earnings/(loss) from discontinued operations attributable to shareholders	8,968	3,952	6,632	(5,901)
Basic earnings/(loss) per share from continuing operations	0.32	(0.37)	0.18	(1.02)
Diluted earnings/(loss) per share from continuing operations	0.32	(0.37)	0.18	(1.02)
Basic earnings/(loss) per share from all operations	0.38	(0.34)	0.24	(1.07)
Diluted earnings/(loss) per share from all operations	0.38	(0.34)	0.24	(1.07)

Table 47: Annual Key Performance Indicators[1]

($'000s except per share amounts)	FOR THE YEAR ENDED 31 December 2020	31 December 2019	31 December 2018
Gold ounces sold	808,806	511,749	469,544
Revenue	1,424,111	694,848	571,701
Operating cash flows from continuing operations	710,563	205,531	196,371
Operating cash flows from discontinued operations	38,365	96,354	54,549
Earnings/(Loss) from continuing mine operations	337,564	(27,502)	53,568
Net and comprehensive earnings/(loss) from continuing operations	134,085	(159,974)	127,609
Net and comprehensive (loss)/earnings from discontinued operations	(21,803)	18,814	(110,549)
Net earnings/(loss) from continuing operations attributable to shareholders	95,243	(174,506)	(37,675)
Net earnings/(loss) attributable to shareholders	72,528	(163,718)	(144,856)
Basic earnings/(loss) per share from continuing operations	0.69	(1.59)	(0.35)
Diluted earnings/(loss) per share from continuing operations	0.69	(1.59)	(0.35)
Basic earnings/(loss) per share	0.53	(1.49)	(1.00)
Diluted earnings/(loss) per share	0.53	(1.49)	(1.00)
Total assets	3,881,718	1,872,791	1,922,043
Total long term liabilities (excluding deferred taxes)	792,740	738,294	660,472
Total attributable shareholders' equity	2,057,015	717,867	858,006
Adjusted net earnings per share[2]	2.28	0.33	0.49

[1] *Prior year figures for continuing operations have been adjusted to exclude Agbaou.*
[2] *The adjusted net earnings per share is inclusive of the prior period tax adjustment included in the 31 December 2018 adjusted earnings per share.*

9. PRINCIPAL RISKS AND UNCERTAINTIES

Readers of this Management Report should consider the information included in the Company's condensed interim consolidated financial statements and related notes for the three and nine months ended 30 September 2021. The nature of the Company's activities and the locations in which it works mean that the Company's business generally is exposed to significant risk factors, many of which are beyond its control. The Company examines the various risks to which it is exposed and assesses any impact and likelihood of those risks. For discussion on all the risk factors that affect the Company's business generally, please refer to the prospectus prepared as part of the admission to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange (the "Prospectus") and which is available on its website, www.endeavourmining.com, Endeavour Mining Corporation's most recent Annual Information Form filed on SEDAR at www.sedar.com, and Endeavour Mining Corporations's consolidated financial statements for the year ended 31 December 2020. The risks that affect the financial statements specifically, and the risks that are reasonably likely to affect them in the future which are incorporated by reference in this Management Report, are set out below.

There have been no significant changes to the principal risks and uncertainties of the Company from those disclosed in the Prospectus. The principal risks that affect the Company's business are listed below:

External risks

- Gold price
- Exchange rates
- Inability to compete successfully with other mining companies
- Global economic conditions
- Effect of COVID-19 on the business
- Climate change
- Fixed and floating gold delivery obligations

Operational risks

- Mining, development and exploration activities are subject to operational risks and hazards inherent in the mining industry, such as geological problems, seismic activity, flooding, metallurgical and other processing problems, etc.
- Risks and potential liabilities related to our tailings storage facilities.
- Risks and expenses related to reclamation costs and related liabilities.
- The Company's ability to maintain or increase the present level of gold production is dependent in part on the Company's development projects, which are subject to numerous known and unknown risks.
- No assurance can be given that the current or future mineral production estimates will be achieved.
- Future exploration and development projects may not results in economically viable mining operations or yield new reserves.
- Risks associated with illegal or artisanal mining, which may, among other things, create environmental, health and safety risks.
- Surrounding communities may affect mining operations through restriction of access of supplies and workforce to mine site or through legal challenges asserting ownership rights.
- The Company depends on management and skilled personnel and may not be able to attract and retain qualified personnel in the future.
- French officials are conducting a judicial inquiry into certain past employees of Areva S.A. ("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.
- The Company is dependent on its workforce, and the workforce of its third-party contractors, to extract and process minerals containing gold, and are therefore sensitive to any labour disruption at its properties.
- Risks associated with use of third-party contractors.
- The Company 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 its properties which may result in future losses or additional expenditures.
- The Company may be adversely affected by the availability and costs of key inputs.

Legal and regulatory risks

- The Company is subject to a number of laws and regulations and may not be able to enforce our legal rights.
- The Company's 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.

- The Company's business is subject to evolving climate change initiatives and legislation that may increase both compliance costs and the risk of non-compliance.
- Government regulation may have an adverse effect on the Company's exploration, development and mining operations.
- The Company may be adversely affected by violations of applicable anti-corruption laws, as well as export control regulations and related laws and economic sanctions programmes.
- The Company may face the risk of litigation in connection with its business and other activities.

Other risks

- The Company may fail to successfully integrate acquired properties, including those acquired from SEMAFO and Teranga.
- The Company may face IT and cyber security threats.
- The Company's business requires substantial capital expenditure and there can be no assurance that such funding will be available on a timely basis, or at all
- The Company's use of derivative instruments involves certain inherent risks, including credit risk, market liquidity risk, and unrealised mark-to-market risk.
- The Company's insurance coverage does not cover all of our potential losses, liabilities and damage related to our business, and certain risks are uninsured or uninsurable

Risks related to operations in West Africa

- The Company is subject to geopolitical and other risks associated with operating in West Africa.
- The location of the Company's assets subjects the Company to safety and security risks.
- The Company's 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.
- The Company's mining properties are subject to various government equity interests and royalty payments payable to the respective governments of the countries in which we operate.
- There are health risks associated with the mining work force in Africa.

Risks related to 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 current value of Old Endeavour Shares cannot be taken as indicative of the likely development of the market and future demand for the Shares.
- Future sales of Shares by major shareholders could depress the price of 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.
- The Company's ability to pay dividends in the future depends, among other things, on the Group's financial performance and capital requirements.
- 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.
- Shareholders may become subject to foreign exchange rate risk as a result of an investment in the Shares.
- Shareholders in the United States and other jurisdictions outside of the United Kingdom may not be able to participate in future equity offerings.
- 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.

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.

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company 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 Company 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 Company deems the credit risk on its cash to be low.

The Company 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 Company operates in and its other receivables of $14.6 million due from third parties. The Company 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 30 September 2021 is considered to be negligible. The Company does not rely on ratings issued by credit rating agencies in evaluating counterparties' related credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash, physical gold or another financial asset. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements. The Company ensures that it has sufficient cash and cash equivalents and loan facilities available to meet its short term obligations.

Currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Company incurs in its operations. There has been no change in the Company's objectives and policies for managing this risk during the period ended 30 September 2021.

The Company has not hedged its exposure to foreign currency exchange risk.

Interest rate risk

Interest rate risk is the risk that future cash flows from, or the fair values of, the Company's financial instruments will fluctuate because of changes in market interest rates. The Company 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 Company continually monitors its exposure to interest rates and is comfortable with its exposure given the relatively low short-term US interest rates and LIBOR.

10. CONTROLS AND PROCEDURES

10.1. DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). Additionally, these controls and procedures provide reasonable assurance that information required to be disclosed in the Company's annual and interim filings (as such terms are defined under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities law is recorded, processed, summarised and reported within the time periods specified by those laws, and that material information is accumulated and communicated to management including the CEO and CFO as appropriate to allow timely decisions regarding required disclosure.

Management evaluated the design and operating effectiveness of the Company's disclosure controls and procedures as required by Canadian Securities Law. Based on that evaluation, the CEO and CFO concluded that as of 31 December 2020, the disclosure controls and procedures were effective.

10.2. INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal controls over financial reporting. Under the supervision of the CFO, the Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There have been no material changes in the Company's internal controls over financial reporting since the year ended 31 December 2020 that have materially affected or are reasonably likely to materially affect the Company's internal controls over financial reporting.

The Company assessed the SEMAFO and Teranga mines' disclosure controls and procedures and internal control over financial reporting; however, in accordance with National Instrument 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings, because the SEMAFO operations were acquired not more than 365 days before the end of 31 December 2020, the Company has limited the scope of its design of disclosure controls and procedures and internal controls over financial reporting to exclude the controls, policies and procedures of SEMAFO.

10.3. LIMITATIONS OF CONTROLS AND PROCEDURES

The Company's management, including the CEO and CFO believe that any disclosure controls and procedures or internal control over financial reporting, can provide only reasonable, but not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the actions of one individual, by collusion of two or more people, or by unauthorised override of the control. Accordingly, because of the inherent limitations in a control system, misstatements due to error or fraud may occur and not be detected.

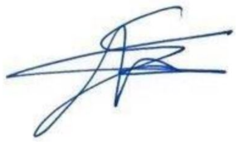
11. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of Endeavour Mining plc confirm that to the best of their knowledge:

- the condensed interim consolidated financial statements for the nine months ended 30 September 2021 has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting", and International Accounting Standard 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board (IASB), and that it gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8

The Directors of Endeavour Mining plc are listed on the Company's website at www.endeavourmining.com

By order of the Board



Sebastien de Montessus

Chief Executive Officer
Sebastien de Montessus
10 November 2021

SECTION 2

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT REVIEW REPORT TO ENDEAVOUR MINING PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the interim financial report for the three and nine months ended 30 September 2021 which comprises the condensed interim consolidated statement of comprehensive earnings, the condensed interim consolidated statement of cash flows, the condensed interim consolidated statement of financial position, the condensed interim consolidated statement of changes in equity and related notes.

We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim financial report is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the group will be prepared in accordance with UK adopted international accounting standards and International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). The condensed set of financial statements included in this interim financial report has been prepared in accordance with UK adopted International Accounting Standard 34, ''Interim Financial Reporting''.

As explained in note 2 to the condensed set of financial statements included in this interim financial report, the group, in addition to preparing condensed interim consolidated financial statements in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting", has also applied International Accounting Standard 34, "Interim Financial Reporting" as issued by the IASB.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the interim financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Financial Reporting Council for use in the United Kingdom and International Standard on Review Engagements 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the IAASB. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim financial report for the three and nine months ended 30 September 2021 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In addition, based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim financial report for the three and nine months ended 30 September 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting its responsibilities in respect of interim financial reporting in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP
Chartered Accountants
London
10 November 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

	Note	THREE MONTHS ENDED		NINE MONTHS ENDED	
		30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Revenues					
Revenue		**691,707**	434,839	**2,080,926**	870,741
Cost of sales					
Operating expenses		**(257,470)**	(166,270)	**(788,579)**	(345,590)
Depreciation and depletion		**(156,614)**	(115,314)	**(446,860)**	(193,707)
Royalties		**(42,509)**	(30,024)	**(130,783)**	(60,450)
Earnings from mine operations		**235,114**	123,231	**714,704**	270,994
Corporate costs	3	**(11,990)**	(5,101)	**(42,151)**	(15,381)
Acquisition and restructuring costs	4	**(1,804)**	(19,336)	**(28,508)**	(26,255)
Share-based compensation	5	**(7,281)**	(7,117)	**(25,075)**	(13,682)
Exploration costs		**(2,855)**	(900)	**(18,539)**	(4,029)
Earnings from operations		**211,184**	90,777	**600,431**	211,647
Other income/(expense)					
(Loss)/gain on financial instruments	6	**(20,012)**	(26,185)	**7,258**	(101,141)
Finance costs	7	**(14,696)**	(12,213)	**(40,708)**	(35,534)
Other (expense)/income		**(3,380)**	23,089	**(13,890)**	23,233
Earnings before taxes		**173,096**	75,468	**553,091**	98,205
Current income tax expense	16	**(40,395)**	(52,648)	**(157,006)**	(71,917)
Deferred income tax (expense)/recovery	16	**(158)**	40,764	**(3,662)**	34,260
Net comprehensive earnings from continuing operations		**132,543**	63,584	**392,423**	60,548
Net comprehensive earnings/(loss) from discontinued operations	4	**—**	6,580	**(3,702)**	22,463
Net comprehensive earnings		**$ 132,543**	$ 70,164	**$ 388,721**	$ 83,011
Net earnings from continuing operations attributable to:					
Shareholders of Endeavour Mining plc		**113,587**	52,160	**327,030**	30,343
Non-controlling interests	14	**18,956**	11,424	**65,393**	30,205
		$ 132,543	$ 63,584	**$ 392,423**	$ 60,548
Total net earnings attributable to:					
Shareholders of Endeavour Mining plc		**113,587**	61,126	**321,862**	49,895
Non-controlling interests	14	**18,956**	9,038	**66,859**	33,116
		$ 132,543	$ 70,164	**$ 388,721**	$ 83,011
Earnings per share from continuing operations					
Basic earnings per share	5	**$ 0.45**	$ 0.32	**$ 1.38**	$ 0.24
Diluted earnings per share	5	**$ 0.45**	$ 0.32	**$ 1.37**	$ 0.24
Earnings per share					
Basic earnings per share	5	**$ 0.45**	$ 0.38	**$ 1.36**	$ 0.39
Diluted earnings per share	5	**$ 0.45**	$ 0.38	**$ 1.35**	$ 0.39

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

(Expressed in Thousands of United States Dollars) (Unaudited)

	Note	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Operating Activities					
Earnings before taxes		**173,096**	75,468	**553,091**	98,205
Non-cash items	15	**200,686**	160,305	**509,910**	345,052
Cash paid on settlement of DSUs, PSUs and options	5	**(202)**	(1,660)	**(12,164)**	(1,881)
Cash received/(paid) on settlement of other financial assets and liabilities		**5,003**	(7,566)	**7,791**	(24,817)
Income taxes paid	16	**(55,503)**	(32,423)	**(185,567)**	(49,180)
Foreign exchange gain/(loss)		**2,800**	1,224	**1,887**	(1,793)
Operating cash flows before changes in working capital		**325,880**	195,348	**874,948**	365,586
Changes in working capital	15	**(13,974)**	(13,352)	**(55,824)**	(30,194)
Operating cash flows generated from continuing operations		**311,906**	181,996	**819,124**	335,392
Operating cash flows generated from/(used by) discontinued operations	4	**—**	19,197	**(8,808)**	49,172
Cash generated from operating activities		**$ 311,906**	$ 201,193	**$ 810,316**	$ 384,564
Investing Activities					
Expenditures on mining interests	10	**(132,469)**	(49,236)	**(390,202)**	(154,241)
Cash paid for additional interest of Ity mine		**—**	—	**—**	(5,430)
Cash acquired on acquisition of subsidiaries	4	**—**	92,981	**27,036**	92,981
Changes in other assets		**(4,338)**	2,337	**(11,262)**	4,502
Proceeds from sale of assets	10	**—**	—	**—**	10,292
Net proceeds from sale of Agbaou	4	**—**	—	**(4,714)**	—
Investing cash flows (used by)/generated from continuing operations		**(136,807)**	46,082	**(379,142)**	(51,896)
Investing cash flows used by discontinued operations	4	**—**	(4,329)	**(249)**	(11,676)
Cash (used in)/generated from investing activities		**$ (136,807)**	$ 41,753	**$ (379,391)**	$ (63,572)
Financing Activities					
Proceeds received from the issue of common shares	5	**—**	100,000	**199,988**	100,000
Dividends paid	5	**(99,809)**	—	**(159,809)**	—
Payment of financing fees and other		**(694)**	(2,126)	**(8,216)**	(2,567)
Interest paid		**(12,550)**	(11,018)	**(25,780)**	(27,746)
Proceeds of long-term debt	7	**—**	—	**490,000**	120,000
Repayment of long-term debt	7	**(80,000)**	(150,000)	**(643,042)**	(150,000)
Acquisition of shares in share buyback	5	**(34,615)**	—	**(94,069)**	—
Repayment of finance and lease obligation		**(5,191)**	(10,562)	**(23,921)**	(28,992)
Settlement of gold offtake liability	4	**—**	—	**(49,735)**	—
Financing cash flows (used by)/generated from continuing operations		**(232,859)**	(73,706)	**(314,584)**	10,695
Financing cash flows used by discontinued operations	4	**—**	(335)	**(45,434)**	(1,004)
Cash (used in)/generated from financing activities		**$ (232,859)**	$ (74,041)	**$ (360,018)**	$ 9,691
Effect of exchange rate changes on cash		**(14,748)**	2,602	**(25,214)**	2,752
(Decrease)/Increase in cash and cash equivalents		**(72,508)**	171,507	**45,693**	333,435
Cash and cash equivalents, beginning of period		**832,876**	351,817	**644,970**	189,889
Cash relating to assets held for sale, beginning of period		**—**	—	**69,705**	—
Cash and cash equivalents, end of period		**$ 760,368**	$ 523,324	**$ 760,368**	$ 523,324

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

(Expressed in Thousands of United States Dollars) (Unaudited)

	Note	As at 30 September 2021	As at 31 December 2020
ASSETS			(Note 4b)
Current			
Cash and cash equivalents		**760,368**	644,970
Trade and other receivables	8	**126,858**	55,136
Inventories	9	**355,240**	190,601
Prepaid expenses and other		**43,628**	26,322
Current assets excluding assets held for sale		**1,286,094**	917,029
Assets held for sale	4	**—**	180,808
		1,286,094	1,097,837
Non-current			
Mining interests	10	**5,001,462**	2,577,844
Deferred tax assets		**10,263**	19,774
Other financial assets	11	**77,686**	25,202
Other long term assets	9	**156,023**	77,010
Goodwill	4	**262,192**	71,528
Total assets		**$ 6,793,720**	$ 3,869,195
LIABILITIES			
Current			
Trade and other payables	12	**323,397**	262,274
Finance and lease obligations		**15,774**	13,661
Other financial liabilities	13	**35,245**	—
Income taxes payable	16	**203,042**	134,205
Current liabilities excluding liabilities held for sale		**577,458**	410,140
Liabilities held for sale	4	**—**	112,796
		577,458	522,936
Non-current			
Finance and lease obligations		**37,755**	23,544
Long-term debt	7	**850,434**	688,266
Other financial liabilities	13	**101,837**	2,919
Environmental rehabilitation provision		**128,510**	78,011
Deferred tax liabilities		**621,595**	305,101
Total liabilities		**$ 2,317,589**	$ 1,620,777
EQUITY			
Share capital	5	**4,452,491**	16,299
Share premium	5	**4,586**	3,027,467
Share based payment reserve	5	**85,688**	70,390
Capital redemption reserve	5	**243**	—
Merger reserve	5	**496,766**	—
Deficit		**(975,380)**	(1,056,948)
Equity attributable to shareholders of the Corporation		**$ 4,064,394**	$ 2,057,208
Non-controlling interests	14	**411,737**	191,210
Total equity		**$ 4,476,131**	$ 2,248,418
Total equity and liabilities		**$ 6,793,720**	$ 3,869,195

COMMITMENTS AND CONTINGENCIES (NOTE 19)

SUBSEQUENT EVENTS (NOTE 20)

Approved by the Board: 10 November 2021

"Sebastien de Montessus" Director "Alison Baker" Director

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

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

		SHARE CAPITAL								
	Note	Share Capital	Share Premium Reserve	Capital Redemption Reserve	Share Based Payment Reserve	Merger Reserve	Deficit	Total Attributable to Shareholders	Non-Controlling Interests	Total
At 1 January 2020		**10,988**	**1,763,184**	**—**	**72,487**	**—**	**(1,128,792)**	**717,867**	**98,630**	**816,497**
Consideration on the acquisition of SEMAFO	4	4,756	1,146,572	—	—	—	—	1,151,328	116,194	1,267,522
Shares issued on private placement	5	451	99,549	—	—	—	—	100,000	—	100,000
Shares issued on exercise of options and PSU's		110	19,345	—	(19,332)	—	—	123	—	123
Share based compensation	5	—	—	—	12,073	—	—	12,073	—	12,073
Dividends to non-controlling interests	14	—	—	—	—	—	—	—	(9,017)	(9,017)
Cancellation of treasury shares	5	(6)	(1,183)	—	—	—	(340)	(1,529)	—	(1,529)
Change in non-controlling interests	14	—	—	—	—	—	(231)	(231)	(199)	(430)
Total net and comprehensive earnings		—	—	—	—	—	49,895	49,895	33,116	83,011
At 30 September 2020		**$ 16,299**	**$ 3,027,467**	**$ —**	**$ 65,228**	**$ —**	**$ (1,079,468)**	**$ 2,029,526**	**$ 238,724**	**$ 2,268,250**
At 1 January 2021		**16,299**	**3,027,467**	**—**	**70,390**	**—**	**(1,056,948)**	**2,057,208**	**191,210**	**2,248,418**
Consideration on the acquisition of Teranga	4	7,877	1,670,408	—	30,361	—	—	1,708,646	186,583	1,895,229
Shares issued on private placement	5	891	199,088	—	—	—	—	199,979	—	199,979
Purchase and cancellation of own shares	5	(243)	—	243	—	—	(110,514)	(110,514)	—	(110,514)
Shares issued on exercise of options and PSU's		206	31,850	—	(24,934)	—	—	7,122	—	7,122
Share based compensation	5	—	—	—	24,253	—	—	24,253	—	24,253
Dividends paid	5	—	—	—	—	—	(129,780)	(129,780)	—	(129,780)
Dividends to non-controlling interests	14	—	—	—	—	—	—	—	(29,922)	(29,922)
Disposal of the Agbaou mine	4	—	—	—	—	—	—	—	(2,993)	(2,993)
Reorganisation	1, 4	(22,539)	(4,924,227)	—	—	4,946,766	—	—	—	—
Deferred shares issued upon capitalisation	5	4,450,000	—	—	—	(4,450,000)		—	—	—
Reclassification of PSU's to liabilities	5	—	—	—	(14,382)	—	—	(14,382)	—	(14,382)
Total net and comprehensive earnings		—	—	—	—	—	321,862	321,862	66,859	388,721
At 30 September 2021		**$ 4,452,491**	**$ 4,586**	**$ 243**	**$ 85,688**	**$ 496,766**	**$ (975,380)**	**$ 4,064,394**	**$ 411,737**	**$ 4,476,131**

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

1 DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Endeavour Mining plc, together with its subsidiaries (collectively, "Endeavour", the "Group", 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 maximise 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 London Stock Exchange ("LSE") (symbol EDV), and on the Toronto Stock Exchange ("TSX") (symbol EDV) and quoted in the United States on the OTCQX International (symbol EDVMF). The Company is incorporated in the United Kingdom and its registered office is located at 5 Young Street, London, United Kingdom, W8 5EH.

Prior to its listing on the London Stock Exchange on 14 June 2021, Endeavour Mining Corporation ("EMC") was the parent Company of the Group for which consolidated financial statements were produced. On 11 June 2021, the shareholders of EMC transferred all of their shares in EMC to Endeavour Mining plc in exchange for ordinary shares of equal value in Endeavour Mining plc (the "Reorganisation"). This resulted in Endeavour Mining plc, which was incorporated on 21 March 2021, becoming the new parent Company for the Group. As a result of the Reorganisation, there was no change in the legal ownership of any of the assets of EMC or Endeavour Mining plc, nor any change in the ownership of existing shares or securities of EMC or Endeavour Mining plc. The financial information as at 30 September 2021 and for the three and nine months ended 30 September 2021 (and comparative information) is presented as a continuation of EMC.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1. STATEMENT OF COMPLIANCE

The annual financial statements of the group will be prepared in accordance with UK adopted international accounting standards and International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standard ("IAS") 34, Interim Financial Reporting. In addition to preparing condensed interim consolidated financial statements in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting", the Company has also applied International Accounting Standard 34, "Interim Financial Reporting" as issued by the IASB. These condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006, and do not include all of the information required for full annual financial statements prepared using IFRS, and are also in accordance with the requirements of the Disclosure Guidance and Transparency Rules ("DTR") in the United Kingdom as applicable to interim financial reporting. These condensed consolidated financial statements represent a 'condensed set of financial statements' as referred to in the DTR.

These condensed consolidated financial statements for the three and nine months ended 30 September 2021 were authorised for issue in accordance with a resolution of the Board on 8 November 2021. The condensed consolidated financial statements are unaudited and do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 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 31 December 2020 and have been consistently applied in the preparation of these condensed interim consolidated financial statements.

None of the new standards or amendments to standards and interpretations applicable during the period has had a material impact on the financial position or performance of the Group. The Group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

During the period ended 30 September 2021, the Company has applied the following accounting policies which were not applied in the annual consolidated financial statements for the year ended 31 December 2020:

Merger accounting

Group reorganisations, including transfer of assets and liabilities and acquisition of companies within the Endeavour Mining plc group are accounted for using merger accounting. As a result, any assets and liabilities are transferred at carrying value rather than fair value. The difference between the carrying value of assets and liabilities transferred and the consideration paid has been recognised in the merger reserve.

Employee Benefit Trust

The Employee Benefit Trust ("EBT") is considered to be a Special Purpose Entity and is accounted for under IFRS 10 and consolidated on the basis that the Company has control, thus the assets and liabilities of the EBT are included in the financial position and results of operations of the Group and the shares held by the EBT are presented as a deduction from equity.

Treasury shares

When the Company purchases its own share capital ("treasury shares"), the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from retained earnings/(deficit). If treasury shares are subsequently cancelled, the par value of the cancelled shares is credited to the capital redemption reserve. If treasury shares are subsequently re-issued, any consideration received, net of transaction costs, up to the amount paid to re-purchase the shares is treated as a realised profit reinstating the retained earnings used when the shares were repurchased. Any excess is included in share premium.

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 4) 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 and nine months ended 30 September 2021, the Company applied the critical judgments and estimates disclosed in note 3 of its consolidated financial statements for the year ended 31 December 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 30 September 2021 are consistent with the consolidated financial statements for the year ended 31 December 2020, except for the sale of Agbaou Gold Operations on 1 March 2021, and for the following subsidiaries which were acquired on 10 February 2021 with the completion of the acquisition of Teranga (Note 4):

Entities	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held
			30 September 2021
Sabodala Gold Operations SA	Gold Operations	Senegal	90%
Wahgnion Gold Operations SA	Gold Operations	Burkina Faso	90%
Teranga Gold Corporation	Holding	Canada	100%
Teranga Gold (Senegal) Corporation	Holding	Canada	100%
Sabodala Mining Company Sarl	Exploration	Senegal	100%

2.3. GOING CONCERN

The directors have performed an assessment of whether the Company would be able to continue as a going concern for at least the next twelve month period. In their assessment, the Company has taken into account its financial position, expected future trading performance, its debt and other available credit facilities, future debt servicing requirements, its working capital and capital expenditure commitments and forecasts.

At 30 September 2021, the Company's net debt was $69.6 million, calculated as the difference between long-term debt with a principal outstanding of $830.0 million and cash of $760.4 million. The Company had current assets of $1,286.1 million and current liabilities of $577.5 million representing a total working capital balance (current assets less current liabilities) of $708.6 million as at 30 September 2021. Cash flow from operations for the three and nine months ended 30 September 2021 was $311.9 million and $810.3 million respectively. Subsequent to 30 September 2021, the Company completed an offering of $500.0 million in fixed senior notes and entered a new $500.0 million unsecured revolving credit facility, which will be used to repay the existing loan facilities (Note 20).

Based on a detailed cash flow forecast prepared by management, in which it included any reasonably possible change in the key assumptions on which the cash flow forecast is based, and taking into account possible changes in performance due to the COVID-19 pandemic impact, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for twelve months from 10 November 2021 and that at this point in time there are no material uncertainties regarding going concern. Key assumptions underpinning this forecast include a gold price of $1,500/oz and production volumes in line with annual guidance.

The Board is satisfied that the going concern basis of accounting is an appropriate assumption to adopt in the preparation of the condensed interim consolidated financial statement as at and for the period ended 30 September 2021.

COVID-19 PANDEMIC RISKS

On 11 March 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, British, 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.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

3 CORPORATE COSTS

The following table summarises the components of corporate costs:

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
London Stock Exchange listing expenses	**3,011**	—	**11,224**	—
Employee compensation	**2,930**	3,081	**14,327**	8,570
Professional services	**1,025**	493	**6,068**	2,855
Other corporate expenses	**5,024**	1,527	**10,532**	3,956
Total corporate costs	**$ 11,990**	**$ 5,101**	**$ 42,151**	**$ 15,381**

4 ACQUISITIONS AND DIVESTITURES

In the three and nine months ended 30 September 2021, the Company incurred $1.8 million and $28.5 million respectively (for the three and nine months ended 30 September 2020 - $19.3 million and $26.3 million respectively) of acquisition and restructuring 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 10 February 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 5).

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 finalised. 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.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

The Company is still in the process of finalising 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 30 September 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 recognised as goodwill may change. Any adjustments to the allocation of the purchase consideration will be recognised 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 are unchanged since the quarter ended 31 March 2021:

	Notes	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	13	(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**

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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 %

On 31 March 2021, the Company settled the full amount outstanding under the gold off-take liability which resulted in a cash outflow of $49.7 million.

Consolidated revenue for the nine months ended 30 September 2021 includes revenue from the date of acquisition from the assets acquired in the acquisition of Teranga of $653.5 million. The consolidated earnings for the nine months ended 30 September 2021 includes net earnings before tax from the date of acquisition from the assets acquired in the acquisition of Teranga of $195.8 million. Had the transaction occurred on 1 January 2021, the pro forma unaudited consolidated revenue and net earnings before taxes for the nine months ended 30 September 2021 would have been approximately $2,143.7 million and $454.2 million, respectively.

b. Acquisition of SEMAFO

On 1 July 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.

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 5).

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 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 fair values of the mining interests acquired were 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. Adjustments to the allocation of the purchase consideration has been recognised retrospectively and comparative information has been revised.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

The consideration and allocation to the value of assets acquired and liabilities assumed are as follows:

	Preliminary purchase price allocation at 31 December 2020	Adjustments	Final 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)	107,987	564	108,551
Mining interests	1,319,587	12,999	1,332,586
Goodwill	98,704	(27,176)	71,528
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	(36,093)	16,254	(19,839)
Other long-term liabilities	(40,661)	9,220	(31,441)
Deferred tax	(262,678)	(9,612)	(272,290)
Non-controlling interest	(106,202)	(2,249)	(108,451)
Net Assets	**$ 1,151,328**	**$ —**	**$ 1,151,328**

During the second quarter of 2021, the Company finalised the fair values of certain assets acquired and liabilities assumed in the acquisition, in particular as it relates to mining interests, and liabilities with respect to certain income tax positions. Management re-evaluated 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 2025	$1,550 to $1,883 per ounce	$1,550 - $1,865 per ounce
Long-term gold price	$1,485 per ounce	$1,485 per ounce
Discount rate	6.00 %	6.50 %
Mine life	9.5 years	14 years
Average grade over life of mine	3.25 g/t	3.58 g/t
Average recovery rate	88 %	94 %

As a result of the change in the fair values of the mining interests, depletion expense for the three months ended 31 March 2021 was increased retrospectively by $9.3 million. For the three months ended 30 September 2020, the depletion expense was decreased retrospectively by $10.1 million, and for the six months ended 31 December 2020, the depletion expense was decreased retrospectively by $8.3 million to reflect the change in the value of the mining interests upon determination of the final purchase price allocation.

c. Discontinued operations

On 1 March 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 31 December 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 31 December 2019. The NSR royalty is 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 the most 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, annualised 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 31 December 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 earnings/(loss) relating to Agbaou as earnings/(loss) from discontinued operations. During the nine months ended 30 September 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. As at 31 December 2020 the net assets of the Agbaou CGU were classified as held for sale.

At 30 September 2021, the fair value of the Allied shares had not changed, the NSR was revalued to $6.0 million and the fair value of the contingent consideration was $nil, resulting in a gain of $0.1 million and $nil respectively being recognised in other expense in the three months ended 30 September 2021, and a gain of $0.5 million and a loss of $3.7 million for the nine months ended 30 September 2021 respectively.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

The Corporation recognised a loss on disposal of $13.5 million, net of tax, calculated as follows:

		1 March 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)

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

The earnings and loss for the CGU was as follows:

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Revenue	—	46,722	**25,426**	133,806
Operating costs	—	(22,210)	**(14,250)**	(60,601)
Depreciation and depletion	—	(9,370)	**—**	(27,266)
Royalties	—	(2,689)	**(1,418)**	(7,486)
Other income	—	1,987	**80**	1,197
Loss on disposition	—	—	**(13,540)**	—
Earnings/(loss) before taxes	**$ —**	**$ 14,440**	**$ (3,702)**	$ 39,650
Deferred and current income tax expense	—	(7,860)	**—**	(17,187)
Net comprehensive earnings/(loss) from discontinued operations	**$ —**	**$ 6,580**	**$ (3,702)**	$ 22,463
Attributable to:				
Shareholders of Endeavour Mining Corporation	—	8,966	**(5,168)**	19,552
Non-controlling interest	—	(2,386)	**1,466**	2,911
Total comprehensive earnings/(loss) from discontinued operations	**$ —**	**$ 6,580**	**$ (3,702)**	$ 22,463
Net earnings/(loss) per share from discontinued operations				
Basic	**$ 0.00**	$ 0.06	**$ (0.02)**	$ 0.15
Diluted	**$ 0.00**	$ 0.06	**$ (0.02)**	$ 0.15

5 SHARE CAPITAL

i. Share capital

	2021		**2020**	
	Number	**Amount**	**Number**	**Amount**
Ordinary share capital				
Opening balance	163,036,473	16,299	109,927,097	10,988
Consideration on the acquisition of subsidiary	78,766,690	7,877	47,561,205	4,756
Shares issued on private placement	8,910,592	891	4,507,720	451
Shares issued on exercise of options and PSU's	2,420,594	206	1,104,182	110
Cancellation of treasury shares	(4,005,362)	(243)	(63,731)	(6)
Reorganisation	—	(22,539)	—	—
Balance as at 30 September	**249,128,987**	**$ 2,491**	**163,036,473**	**$ 16,299**
Deferred share capital				
Opening balance	—	—	—	—
Shares issued upon capitalisation of the merger reserve	4,450,000,000	4,450,000	—	—
Balance as at 30 September[1]	**4,450,000,000**	**$ 4,450,000**	**—**	**$ —**
Total share capital		**$ 4,452,491**		**$ 16,299**

(1) The deferred shares were cancelled on 5 October 2021 and the full amount of the deferred share capital was reclassified to deficit.

Issued share capital as at 30 September 2021

- 249,128,987 ordinary voting shares of $0.01 par value
- 4,450,000,000 deferred shares of $1.00 par value

During the nine months ended 30 September 2021, the Company announced its dividend for the first half of the 2021 fiscal year of $0.28 per share totalling $70.0 million. The dividend was paid during the three months ended 30 September 2021 to shareholders on record at the close of business on 10 September 2021. In February 2021, the Company paid a dividend of $60.0 million ($0.37 per share) to shareholders on record on the close of business of 22 January 2021.

During the nine months ended September 2021 the Boungou, Houndé, Ity, Mana and Sabodala-Massawa mines declared dividends to their shareholders. Dividends to minority shareholders to the value of $29.9 million were paid during the three months ended 30 September 2021 and is included in cash flows from financing activities (2020 - during the nine months ended 30 September 2020 minority dividends to the value of $9.0 million were declared by the Agbaou, Ity and Karma mines and were included in trade and other payables as at 30 September 2020).

On 29 September 2021, the Company capitalised $4.5 billion of its merger reserve and applied the amount in full to allot 4.5 billion new deferred shares with a par value of $1.00 each. There was no movement in the number of deferred shares during the three and nine months ended 30 September 2021 after their allotment. The deferred shares do 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.

On 11 June 2021, the Company completed its reorganisation, whereby it issued 250.5 million common shares with a par value of $0.01 per share in exchange for 100% of the issued and outstanding shares of EMC. As part of the reorganisation, the various management incentive plans (including PSUs, DSUs, and options), as well as the outstanding share warrants and call-rights were also transferred to Endeavour Mining plc. As part of the group reorganisation, a merger reserve was created equal to a value of $4.9 billion which represents the difference between the nominal value of shares in the new parent Company, Endeavour Mining plc, and the aggregate of the share capital, share premium account and equity reserve of the prior parent Company, EMC.

On 22 March 2021, the Company commenced a share buyback programme 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 16 March 2021 for a period of one year. During the three and nine months ended 30 September 2021, the Company had repurchased a total of 1,483,819 at an average price of $23.07 for a total amount of $34.2 million, and 4,150,356 shares at an average price of $23.22 for a total amount of $96.4 million respectively. 144,994 shares were repurchased but not yet cancelled as at 30 September 2021. The shares were subsequently cancelled in October 2021.

During the nine months ended 30 September 2021, the Company acquired 576,308 outstanding common shares from certain employees of the Group through an employee benefit trust (note 13). An amount of $14.2 million has been included in the statement of changes in equity as a reduction in equity attributable to the shareholders together with other purchases and cancellations of the Company's own shares.

On 30 March 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 4). Upon completion of the investment, La Mancha's future anti-dilution rights were extinguished. La Mancha's ownership of Endeavour was 19.0% at 31 March 2021 (31 December 2020 – 24.1%).

On 10 February 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 1 July 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.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

On 3 July 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 4).

On 30 June 2020, the Company held 448,181 shares in SEMAFO which were converted into 63,731 common shares of Endeavour on 1 July 2020. On 22 September 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 summarises the share-based compensation expense:

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Amortisation and change in fair value of DSUs	471	229	822	1,389
Amortisation and change in fair value of PSUs	6,810	6,888	24,253	12,293
Total share-based compensation	**$ 7,281**	$ 7,117	**$ 25,075**	$ 13,682

iii. Options

	Options outstanding	Weighted average exercise price (C$)
Added upon acquisition of Teranga	3,517,187	16.27
Exercised	(987,778)	9.06
Expired	(623,220)	31.92
At 30 September 2021	**1,906,189**	**14.89**

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 30 September 2021, the weighted average remaining contractual term of outstanding stock options exercisable was 1.19 years. The share options are exercisable at prices ranging from C$6.60 to C$31.92.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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 31 December 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 31 December 2020	125,161	14.22	3,213,805	20.48
Granted	33,786	26.84	2,285,431	28.67
Exercised	(1,858)	31.33	(1,552,719)	22.26
Forfeited	(689)	25.33	(70,759)	22.34
Reinvested	3,923	18.83	120,793	23.59
Added by performance factor	—	—	292,922	22.54
At 30 September 2021	**160,323**	**16.75**	**4,289,473**	**24.40**

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 30 September 2021 was $3.7 million (31 December 2020 – $2.9 million). The total DSU share-based compensation recognised in the condensed interim consolidated statement of comprehensive earnings was an expense of $0.5 million and $0.8 million for the three and nine months ended 30 September 2021 respectively (for the three and nine months ended 30 September 2020 – expense of $0.2 million and $1.4 million respectively).

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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 amortisation ("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).

During the nine months ended 30 September 2021, the Company determined certain PSU's whereby they will be settled in cash upon exercise. The fair value of these PSU's have been reclassified from equity to liabilities as these PSU's will be settled in cash upon exercise. The fair value of the PSUs on date of reclassification was determined to be $14.4 million and was transferred from equity reserve to liabilities. Subsequent measurement of the liability to fair value is recognised in profit or loss.

vii. Basic and diluted earnings per share

Diluted net earnings per share was calculated based on the following:

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Basic weighted average number of shares outstanding	**249,982,123**	162,986,253	**236,866,722**	128,314,951
Effect of dilutive securities[1]				
Stock options and warrants	**2,142,679**	—	**1,879,969**	—
Diluted weighted average number of shares outstanding	**252,124,802**	162,986,253	**238,746,691**	128,314,951
Total common shares outstanding	**249,128,987**	163,036,473	**249,128,987**	163,036,473
Total potential diluted common shares	**257,063,649**	166,428,604	**257,063,649**	166,428,604

At 30 September 2021, a total of 4,289,473 PSU's (3,392,131 at 30 September 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. 278,710 stock options were anti-dilutive as at 30 September 2021 and were excluded from the determination of the diluted weighted average number of shares outstanding 30 September 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.

6 FINANCIAL INSTRUMENTS AND RELATED RISKS

i. Financial assets and liabilities

The Company’s financial instruments are classified as follows:

	Financial assets/liabilities at amortised cost	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 $377.0 million (31 December 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).

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

As at each of 30 September 2021 and 31 December 2020, the levels in the fair value hierarchy into which the Company's financial assets and liabilities measured and recognised in the condensed interim consolidated statement of financial position at fair value are categorised as follows:

		AS AT 30 SEPTEMBER 2021			
	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		760,368	—	—	760,368
Cash - restricted	11	30,539	—	—	30,539
Other long term receivable	11	—	439	5,254	5,693
Other financial assets	11	521	40,000	933	41,454
Marketable securities		2,689	—	—	2,689
Total		**$ 794,117**	**$ 40,439**	**$ 6,187**	**$ 840,743**
Liabilities:					
Conversion option on Notes	7	—	(43,395)	—	(43,395)
Share warrant liabilities	13	—	(24,390)	—	(24,390)
Call-rights	13	—	(20,862)	—	(20,862)
Contingent consideration	13	—	(47,343)	—	(47,343)
Total		**$ —**	**$ (135,990)**	**$ —**	**$ (135,990)**

		AS AT 31 DECEMBER 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		778	—	—	778
Total		**$ 670,146**	**$ —**	**$ 804**	**$ 670,950**
Liabilities:					
Conversion option on Notes	7	—	(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.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

ii. (Loss)/gain on financial instruments

	Note	THREE MONTHS ENDED 30 September 2021	THREE MONTHS ENDED 30 September 2020	NINE MONTHS ENDED 30 September 2021	NINE MONTHS ENDED 30 September 2020
Gain/(loss) on other financial instruments		**2,739**	(226)	**2,906**	364
Change in value of receivable at FVTPL		**(69)**	—	**821**	(307)
Unrealised gain/(loss) on conversion option on Notes	7	**1,231**	(15,286)	**31,251**	(76,504)
Loss on change in fair value of warrant liabilities	13	**(626)**	—	**(2,157)**	—
Loss on change in fair value of call rights	13	**(1,879)**	—	**(1,541)**	—
Loss on change in fair value of contingent consideration	13	**(3,115)**	—	**(2,351)**	—
Loss on foreign exchange		**(23,293)**	(10,673)	**(29,460)**	(10,224)
Realised gain on forward contract[1]		**5,000**	—	**7,789**	6,686
Loss on gold revenue protection program[2]		**—**	—	**—**	(21,156)
Total (loss)/gain on financial instruments		**$ (20,012)**	$ (26,185)	**$ 7,258**	$ (101,141)

[1] During the three and nine months ended 30 September 2021, the Company entered into various gold forward contracts to manage the risk of changes in the market price of gold within a quarter. During the three months ended 30 September 2021, the Company agreed to sell 100,000 ounces of gold at an average price of $1,751 per ounce; during the three months ended 30 June 2021, the Company agreed to sell 115,000 ounces of gold at an average price of $1,809 per ounce. Upon settlement of the gold forward contracts for cash, the Company recognised gains in the three and nine months ended 30 September 2021 of $5.0 million and $7.8 million, respectively. During the nine months ended 30 September 2020, the Company agreed to sell 73,919 ounces at an average gold price of $1,590 per ounce, and recognised a gain of $6.7 million upon settlement of the contracts.

[2] In the year ended 31 December 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 realised a loss of $35.9 million over the life of the Collar of which $21.2 million was recognised in the nine months ended 30 September 2020.

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 31 December 2020.

7 LONG-TERM DEBT

	30 September 2021	31 December 2020
Corporate loan facilities (i)(ii)	500,000	310,000
Deferred financing costs	(9,727)	(8,305)
Revolving credit facility	**$ 490,273**	$ 301,695
Convertible senior notes (iii)	316,766	311,925
Conversion option (iv)	43,395	74,646
Convertible senior bond	**$ 360,161**	$ 386,571
Total long-term debt	**$ 850,434**	$ 688,266

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

The Company incurred the following finance costs in the period:

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Interest expense	**12,143**	10,137	**32,380**	31,149
Amortisation of deferred facility fees	**1,818**	913	**5,485**	2,410
Commitment, structuring and other fees	**735**	1,163	**2,843**	1,975
Total finance costs	**$ 14,696**	$ 12,213	**$ 40,708**	$ 35,534

i. Corporate Loan Facility

On 24 December 2020, the Company entered into an amendment agreement to its $430.0 million revolving credit facility ("RCF") with a syndicate of leading international banks, extending its maturity to 15 January 2023 which became effective on 10 February 2021.

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 on 15 January 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 amortisation ("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 trailing twelve months EBITDA at the end of each quarter must not exceed 3.5:1.0

ii. Corporate Bridge Facility

On 24 December 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 10 February 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 utilisation 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 15 January 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 trailing twelve months EBITDA at the end of each quarter must not exceed 3.5:1.0

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

iii. Convertible Senior Notes

On 8 February 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 21 January 2021, the conversion rate of the Notes was adjusted as a result of the $0.37 per share ordinary dividend announced on 11 January 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.

The Notes bear interest at a coupon rate of 3% payable semi-annually in arrears on 15 February and 15 August of each year. Notes mature on 15 February 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 amortised 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 unrealised gain/loss on the convertible note option for the three and nine months ended 30 September 2021 was an unrealised gain of $1.2 million and $31.3 million respectively (three and nine months ended 30 September 2020 – unrealised loss of $15.3 million and $76.5 million million respectively).

The liability component for the Notes at 30 September 2021 has an effective interest rate of 6.2% (31 December 2020: 6.2%) and was as follows:

	30 September 2021	31 December 2020
Liability component at beginning of the period	**311,925**	302,600
Interest expense in the period	**14,741**	19,225
Less: Interest payments in the period	**(9,900)**	(9,900)
Total	**$ 316,766**	$ 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 35% (31 December 2020 – 56%), term of the conversion option 1.19 years (31 December 2020 – 2.13 years), a dividend yield of 2.5% (31 December 2020 – 2.5%), credit spread of 1.93% (31 December 2020 – 4%), and a share price of CAD$25.51 (31 December 2020 – CAD$29.62).

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

	30 September 2021	31 December 2020
Conversion option at beginning of the period	**74,646**	31,439
Fair value adjustment	**(31,251)**	43,207
Conversion option at end of the period	**$ 43,395**	$ 74,646

8 TRADE AND OTHER RECEIVABLES

	30 September 2021	31 December 2020
VAT receivable (i)	**78,164**	30,598
Receivables for gold sales	**3,436**	4,641
Other receivables (ii)	**45,258**	19,897
Total	**$ 126,858**	$ 55,136

i. VAT receivable

VAT receivable relates to net VAT amounts paid to vendors for goods and services purchased, primarily in Burkina Faso. These balances are expected to be collected in the next twelve months. In the nine months ended 30 September 2021, the Company collected $68.2 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 30 September 2021 include a receivable of $24.2 million (31 December 2020 – $nil) related to the sale of equipment at Ity to third parties, an amount of $5.9 million (31 December 2020 – $nil) receivable from Allied related to the sale of the Agbaou mine, and receivables of $6.6 million (31 December 2020 – $14.6 million) from 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.

9 INVENTORIES

	30 September 2021	31 December 2020
Doré bars	**16,426**	24,065
Gold in circuit	**38,512**	33,812
Ore stockpiles	**320,351**	125,694
Spare parts and supplies	**135,974**	84,040
Total	**$ 511,263**	$ 267,611
Non-current stockpiles	**(156,023)**	(77,010)
Inventories, current	**$ 355,240**	$ 190,601

As of 30 September 2021, there was a provision of $18.8 million to adjust gold in circuit ("GIC") inventory to net realisable value at Karma (31 December 2020 – $19.4 million with respect to GIC and $0.4 million related to finished goods).

The cost of inventories recognised as an expense in the three and nine months ended 30 September 2021 was $414.1 million and $1,235.4 million, respectively, and was included in cost of sales (three and nine months ended 30 September 2020 – $281.6 million and $539.3 million respectively).

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

10 MINING INTERESTS

MINING INTERESTS

	Note	Depletable	Non depletable[1]	Property, plant and equipment	Assets under construction	Total
Cost						
Balance as at 1 January 2020		682,792	331,777	1,081,557	21,972	**2,118,098**
Acquired in business combinations		519,926	453,542	359,118	—	**1,332,586**
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 31 December 2020		1,212,799	821,399	1,315,031	30,653	**3,379,882**
Acquired in business combinations	4	2,014,474	152,339	359,622	2,039	**2,528,474**
Additions/expenditures		151,324	66,123	113,427	77,366	**408,240**
Transfers from inventory		—	—	15,133	—	**15,133**
Transfers		59,353	(40,477)	20,157	(39,033)	**—**
Change in estimate of environmental rehabilitation provision[2]		15,839	—	—	—	**15,839**
Disposals[3]		(862)	—	(53,272)	—	**(54,134)**
Balance as at 30 September 2021		**$ 3,452,927**	**$ 999,384**	**$ 1,770,098**	**$ 71,025**	**$ 6,293,434**
Accumulated Depreciation						
Balance as at 1 January 2020		294,164	—	413,660	—	**707,824**
Depreciation/depletion		151,953	—	144,788	—	**296,741**
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 31 December 2020		356,446	19,949	425,643	—	**802,038**
Depreciation/depletion		334,589	—	178,311	—	**512,900**
Disposals[3]		—	—	(22,966)	—	**(22,966)**
Balance as at 30 September 2021		**$ 691,035**	**$ 19,949**	**$ 580,988**	**$ —**	**$ 1,291,972**
Carrying amounts						
At 31 December 2020		$ 856,353	$ 801,450	$ 889,388	$ 30,653	$ 2,577,844
At 30 September 2021		**$ 2,761,892**	**$ 979,435**	**$ 1,189,110**	**$ 71,025**	**$ 5,001,462**

[1] As at 30 September 2021, exploration assets with a net book value of $409.3 million are included in the non-depletable mining interest category (31 December 2020 – $391.4 million). Additions in the nine months ended 30 September 2021 include the acquisition of the Fetekro license to 80% for $19.7 million.

[2] Change in estimate of environmental rehabilitation provision relates to the post-acquisition revaluation of the environmental provisions for the newly acquired Sabodola-Massawa and Wahgnion mines.

[3] Disposals for the nine months ended 30 September 2021 mainly relate to mining equipment with a net book value of $28.5 million sold to the mining contractor at Ity for which we recognised a loss of $2.4 million (for the nine months ended 30 September 2020, the Company received proceeds of $10.3 million and recognised a gain of $4.1 million on the disposal of a mining fleet at Karma in connection with transferring its mining operations to a contractor).

[4] During the nine months ended 30 September 2020, the Company received $22.2 million in cash proceeds from a contractor used in the original construction of the Karma mine as reimbursement of previously made capitalised expenditures. The proceeds have been recognised as other income in the three and nine months ended September 30, 2020.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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 1 January 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 31 December 2020	14,593	16,648	1,912	33,153
Acquired in business combinations	—	647	4,990	5,637
Additions	17,776	—	6,150	23,926
Depreciation for the period	(6,104)	(2,886)	(1,282)	(10,272)
Balance as at 30 September 2021	**$ 26,265**	**$ 14,409**	**$ 11,770**	**$ 52,444**

11 OTHER FINANCIAL ASSETS

Other financial assets are comprised of:

	Note	30 September 2021	31 December 2020
Restricted cash		**30,539**	24,398
Long-term receivable (i)	4	**5,693**	—
Other financial assets (ii)	4	**41,454**	804
Total		**$ 77,686**	$ 25,202

(i) Long-term receivable

The long-term receivable at 30 September 2021 is the fair value related to the NSR receivable from Allied for the sale of the Agbaou mine.

(ii) Other financial assets

Other financial assets at 30 September 2021 include $40.0 million related to the shares of Allied received as consideration upon the sale of the Agbaou mine.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

12 TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	30 September 2021	31 December 2020
Trade accounts payable	**245,534**	193,106
Royalties payable	**36,577**	14,516
Payroll and social payables	**39,155**	26,957
Other payables	**2,131**	27,695
Total trade and other payables	**$ 323,397**	$ 262,274

13 OTHER FINANCIAL LIABILITIES

	Note	30 September 2021	31 December 2020
Share warrant liabilities (i)		**24,390**	—
DSU liabilities	5	**3,681**	2,919
PSU liabilities (ii)	5	**14,301**	—
Repurchased shares (ii)		**14,383**	—
Call-Rights (iii)		**20,862**	—
Contingent consideration (iv)		**47,343**	—
Other long-term liabilities		**12,122**	—
Total		**137,082**	2,919
Current portion		**(35,245)**	—
Non-current financial liabilities		**$ 101,837**	$ 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 30 September 2021:

Grant date	Number	Expiry date	Exercise price (C$)
16 April 2018	940,000	16 April 2022	11.11
26 February 2019	70,500	27 February 2023	10.81
30 May 2019	658,000	30 May 2023	8.15
30 September 2019	70,500	30 September 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 recognised in (losses)/ gains on financial instruments 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 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.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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	—		2,157
Balance as at 30 September 2021	**1,739,000**	**$**	**24,390**

Fair values of share warrants were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at 30 September 2021	As at 10 February 2021
Valuation date share price	C$ 28.51	C$ 27.06
Weighted average fair value of share warrants	C$17.81	C$16.24
Exercise price	C$8.15 - C$13.81	C$8.15 - C$13.81
Risk-free interest rate	0.53 %	0.19% - 0.22%
Expected share market volatility	33% - 49%	46% - 55%
Expected life of share warrants (years)	0.54 - 2.00	1.2 - 2.6
Dividend yield	2.5 %	2.5 %
Number of share warrants exercisable	1,739,000	1,739,000

ii. PSU's and repurchased shares

Prior to the Company listing on the LSE, the Company established an Employee Benefits Trust (the "EBT") in connection with the Company's employee share incentive plans, which may hold the Company's own shares in trust to settle future employee share incentive obligations. During the nine months ended 30 September 2021, the EBT acquired 576,308 outstanding common shares from certain employees of the Group which remain held in the EBT at 30 September 2021.

In exchange for the shares, a subsidiary of the Company is obligated to repay the employees cash for the fair value of the underlying shares of the Company now held in the EBT. The amount of this liability is $14.4 million at 30 September 2021 and is included in current financial liabilities. Subsequent changes in the fair value of the underlying shares will be recognised in earnings/ (loss) in the period.

In addition to the above, certain PSU's were reclassified to liabilities during the nine months ended 30 September 2021 as management determined that the PSU's will be settled in cash upon vesting. As a result, these PSU's are recognised at fair value at 30 September 2021, and $9.7 million is included in current liabilities at 30 September 2021 as they are expected to be settled in the next twelve months. The remaining $4.6 million is classified as non-current other liabilities as the PSU's do not vest in the next twelve months.

iii. 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 the exercise date and the exercise price of C$14.90. The call-rights expire on 4 March 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 recognised as gains/(losses) on financial instruments.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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	—	1,541
Balance as at 30 September 2021	**1,880,000**	**$ 20,862**

The fair value of the call-rights were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at 30 September 2021	As at 10 February 2021
Valuation date share price [(i)]	C$ 29.00	C$ 27.93
Fair value per call-right	C$ 14.09	C$ 13.05
Exercise price	C$ 14.89	C$ 14.89
Risk-free interest rate	0.59 %	0.24 %
Expected share market volatility	46 %	45 %
Expected life of call-rights (years)	2.43	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

iv. Contingent consideration

As part of the acquisition of Teranga, Endeavour recognised 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 4 March 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 30 September 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 16.97% (10 February 2021 - 19.83%), Endeavour's credit spread of 2.10% (10 February 2021 - 2.78%) and risk-free rate of 0.38% (10 February 2021 - 0.20%).

On the date of acquisition of Teranga, the fair value of the contingent consideration was estimated to be $45.6 million. For the three and nine months ended 30 September 2021, the increase in the non-current liability to $47.3 million resulted in losses on financial instruments recognised in the condensed interim consolidated statement of comprehensive earnings of $3.1 million and $2.4 million, respectively.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

14 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 31 December 2019	23,857	14,002	6,814	—	—	—	—	522	**45,195**	53,435	**98,630**
Acquisition of NCI	—	—	—	38,275	63,757	—	—	6,419	**108,451**	—	**108,451**
Net earnings/(loss)	16,017	(4,186)	17,366	6,528	2,914	—	—	—	**38,639**	1,004	**39,643**
Dividend distribution	(659)	—	(1,744)	—	—	—	—	—	**(2,403)**	(52,912)	**(55,315)**
Change in NCI	—	—	—	—	—	—	—	(199)	**(199)**	—	**(199)**
At 31 December 2020	$ 39,215	$ 9,816	$ 22,436	$ 44,803	$ 66,671	$ —	$ —	$ 6,742	**$ 189,683**	$ 1,527	**$ 191,210**
Acquisition of NCI	—	—	—	—	—	133,583	39,000	14,000	**186,583**	—	**186,583**
Net earnings	21,123	246	14,641	6,004	3,664	15,462	3,874	379	**65,393**	1,466	**66,859**
Dividend distribution	(4,519)	—	(8,158)	(8,044)	(7,334)	(1,867)	—	—	**(29,922)**	—	**(29,922)**
Disposal of the Agbaou mine[1]	—	—	—	—	—	—	—	—	**—**	(2,993)	**(2,993)**
At 30 September 2021	$ 55,819	$ 10,062	$ 28,919	$ 42,763	$ 63,001	$ 147,178	$ 42,874	$ 21,121	**$ 411,737**	$ —	**$ 411,737**

[1]*For further details refer to note 4*
[2]*Exploration, Corporate and Kalana segments are included in the "other" category.*

For summarised information related to these subsidiaries, refer to Note 17, Segmented Information.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

15 SUPPLEMENTARY CASH FLOW INFORMATION

Non-cash items

Below is a reconciliation of non-cash items adjusted for in the operating cash flows in the consolidated statement of cash flows for the three and nine months ended 30 September 2021:

		THREE MONTHS ENDED		NINE MONTHS ENDED	
	Note	**30 September 2021**	30 September 2020	**30 September 2021**	30 September 2020
Depreciation and depletion		**156,614**	115,314	**446,860**	193,707
Finance costs	7	**14,696**	12,213	**40,708**	35,534
Share-based compensation	5	**7,281**	7,117	**25,075**	13,682
Loss/(gain) on financial instruments	6	**20,012**	26,185	**(7,258)**	101,141
Write down of inventory and other		**2,083**	(524)	**2,083**	988
Loss on disposal of assets		**—**	—	**2,442**	—
Total non-cash items		**$ 200,686**	$ 160,305	**$ 509,910**	$ 345,052

Changes in working capital

Below is a reconciliation of changes in working capital included in operating cash flows in the consolidated statement of cash flows for the three and nine months ended 30 September 2021:

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Trade and other receivables	**(3,804)**	(12,744)	**(9,179)**	(30,710)
Inventories	**23,946**	8,258	**48,734**	15,661
Prepaid expenses and other	**(3,875)**	(8,838)	**(7,788)**	(9,561)
Trade and other payables	**(30,241)**	(28)	**(87,591)**	(5,584)
Changes in working capital	**$ (13,974)**	$ (13,352)	**$ (55,824)**	$ (30,194)

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

16 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. Some subsidiaries of the Company are 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, Senegal, Monaco, France, Luxembourg and the United Kingdom are subject to tax under the tax law of the respective jurisdiction. 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 the taxing authorities over the interpretation or application of certain rules to the Company's business conducted within the country involved. Management evaluates each of the assessments and recognises 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 Company will recognise the effects of the changes in its condensed interim consolidated financial statements in the period that such changes occur.

Tax expense for the three and nine months ended 30 September 2021 was $40.6 million and $160.7 million respectively (for the three and nine months ended 30 September 2020 - $11.9 million and $37.7 million respectively).

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30 September 2021	30 September 2020	**30 September 2021**	30 September 2020
Earnings before taxes	**173,096**	75,468	**553,091**	98,205
Weighted average domestic tax rate	**25 %**	21 %	**23 %**	23 %
Income tax expense based on weighted average domestic tax rates	**43,819**	16,017	**126,658**	22,293
Reconciling items:				
Rate differential	**13,070**	5,857	**15,468**	38,844
Effect of foreign exchange rate changes on deferred taxes	**15,482**	(18,191)	**24,353**	(20,987)
Permanent differences	**(5,159)**	2,734	**19,159**	17,379
Mining convention benefits	**(32,140)**	(3,344)	**(69,006)**	(9,589)
Effect of alternative minimum taxes and withholding taxes paid	**9,384**	3,056	**41,150**	3,056
True up and tax amounts paid in respect of prior years	**(1,528)**	8,954	**(6,084)**	590
Effect of changes in deferred tax assets not recognised	**6,539**	(391)	**15,251**	(4,467)
Other	**(8,914)**	(2,808)	**(6,281)**	(9,462)
Income tax expense	**$40,553**	**$11,884**	**$160,668**	**$37,657**

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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 are aggregated and presented together as part of the "other" segment on the basis of them sharing similar economic characteristics.

THREE MONTHS ENDED 30 SEPTEMBER 2021

	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Sabodala Massawa Mine	Wahgnion Mine	Other	Total
Revenue									
Gold revenue	112,731	34,333	134,399	86,776	73,242	187,995	62,221	10	**691,707**
Cost of sales									
Operating expenses	(46,325)	(22,890)	(39,158)	(42,320)	(25,248)	(49,431)	(32,089)	(9)	**(257,470)**
Depreciation and depletion	(11,981)	(10,757)	(19,791)	(14,244)	(27,319)	(50,516)	(18,518)	(3,488)	**(156,614)**
Royalties	(6,171)	(3,136)	(8,389)	(5,745)	(4,365)	(10,541)	(4,162)	—	**(42,509)**
Earnings/(loss) from mine operations	**$ 48,254**	**$ (2,450)**	**$ 67,061**	**$ 24,467**	**$ 16,310**	**$ 77,507**	**$ 7,452**	**$ (3,487)**	**$ 235,114**

THREE MONTHS ENDED 30 SEPTEMBER 2020

	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Other	Total
Revenue							
Gold revenue	88,755	35,844	115,721	128,069	66,450	—	**434,839**
Cost of sales							
Operating expenses	(29,331)	(20,077)	(37,352)	(51,799)	(26,836)	(875)	**(166,270)**
Depreciation and depletion	(8,080)	(14,904)	(14,413)	(33,305)	(40,234)	(4,378)	**(115,314)**
Royalties	(5,239)	(3,410)	(9,515)	(7,754)	(4,106)	—	**(30,024)**
Earnings/(Loss) from mine operations	**$ 46,105**	**$ (2,547)**	**$ 54,441**	**$ 35,211**	**$ (4,726)**	**$ (5,253)**	**$ 123,231**

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

NINE MONTHS ENDED 30 SEPTEMBER 2021

	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Sabodala Massawa Mine	Wahgnion Mine	Other	Total
Revenue									
Gold revenue	395,224	113,416	390,471	284,174	244,093	452,529	201,009	10	**2,080,926**
Cost of sales									
Operating expenses	(144,165)	(69,042)	(121,209)	(129,940)	(82,172)	(143,761)	(98,281)	(9)	**(788,579)**
Depreciation and depletion	(45,777)	(38,350)	(57,055)	(53,248)	(88,942)	(105,331)	(48,642)	(9,515)	**(446,860)**
Royalties	(21,670)	(10,294)	(26,205)	(18,782)	(14,706)	(25,395)	(13,731)	—	**(130,783)**
Earnings/(Loss) from continuing mine operations	**$ 183,612**	**$ (4,270)**	**$ 186,002**	**$ 82,204**	**$ 58,273**	**$ 178,042**	**$ 40,355**	**$ (9,514)**	**$ 714,704**

NINE MONTHS ENDED 30 SEPTEMBER 2020

	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Other	Total
Revenue							
Gold revenue	268,897	102,579	304,746	128,069	66,450	—	**870,741**
Cost of sales							
Operating expenses	(94,263)	(54,132)	(115,759)	(51,799)	(26,836)	(2,801)	**(345,590)**
Depreciation and depletion	(27,225)	(39,890)	(44,542)	(33,305)	(40,234)	(8,511)	**(193,707)**
Royalties	(14,455)	(9,489)	(24,646)	(7,754)	(4,106)	—	**(60,450)**
Earnings/(Loss) from continuing mine operations	**$ 132,954**	**$ (932)**	**$ 119,799**	**$ 35,211**	**$ (4,726)**	**$ (11,312)**	**$ 270,994**

Segment revenue reported represents revenue generated from external customers. There were no inter-segment sales during the periods ended 30 September 2021 or 30 September 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.

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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 30 September 2021									
Current assets	128,661	46,390	129,015	175,868	107,573	353,243	106,498	238,846	**1,286,094**
Mining interests	435,316	43,175	464,521	454,425	656,244	1,830,639	634,495	482,647	**5,001,462**
Other long-term assets	59,601	13,271	30,566	20,245	16,332	259,553	36,113	70,483	**506,164**
Total assets	**$ 623,578**	**$ 102,836**	**$ 624,102**	**$ 650,538**	**$ 780,149**	**$ 2,443,435**	**$ 777,106**	**$ 791,976**	**$ 6,793,720**
Current liabilities	81,301	25,187	67,275	66,817	53,970	122,314	40,952	119,642	**577,458**
Other long-term liabilities	29,281	12,245	51,987	69,427	182,449	330,450	56,195	1,008,097	**1,740,131**
Total liabilities	**$ 110,582**	**$ 37,432**	**$ 119,262**	**$ 136,244**	**$ 236,419**	**$ 452,764**	**$ 97,147**	**$ 1,127,739**	**$ 2,317,589**
For the period ended 30 September 2021									
Capital expenditures	67,263	4,461	50,424	70,337	35,316	84,851	34,950	60,638	**408,240**

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

	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 31 December 2020							
Current assets	87,618	50,585	152,761	195,276	121,405	309,384	**917,029**
Mining interests	441,549	70,564	467,719	438,297	708,819	450,896	**2,577,844**
Other long-term assets	65,449	12,971	28,352	20,677	17,049	49,016	**193,514**
Total assets	**$ 594,616**	**$ 134,120**	**$ 648,832**	**$ 654,250**	**$ 847,273**	**$ 809,296**	**$ 3,688,387**
Current liabilities	110,613	28,791	80,666	68,326	75,425	46,319	**410,140**
Other long-term liabilities	17,364	13,862	49,367	64,860	192,783	759,605	**1,097,841**
Total liabilities	**$ 127,977**	**$ 42,653**	**$ 130,033**	**$ 133,186**	**$ 268,208**	**$ 805,924**	**$ 1,507,981**
For the period ended 30 September 2020							
Capital expenditures	39,052	12,668	45,976	14,500	1,191	49,057	**162,444**

[1]*Totals are excluding assets and liabilities classified as held for sale as at 31 December 2020.*

(Expressed in Thousands of United States Dollars, except per share amounts) (Unaudited)

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, and long-term debt, net of cash and cash equivalents, restricted cash and marketable securities.

Capital, as defined above, is summarised in the following table:

	30 September 2021	31 December 2020
Equity	**4,476,131**	2,248,418
Long-term debt	**850,434**	688,266
Finance and lease obligations	**53,529**	37,205
	5,380,094	2,973,889
Less:		
Cash and cash equivalents	**(760,368)**	(644,970)
Cash - restricted	**(30,539)**	(24,398)
Marketable securities	**(2,689)**	(778)
Total	**$ 4,586,498**	$ 2,303,743

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 30 September 2021 and 31 December 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 30 September 2021, the Company has approximately $51.7 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 recognised 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 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. 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 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 26 April 2016 ("Karma stream"), and when it acquired the Sabodala-Massawa mine on 10 February 2021 ("Sabodala stream").

- Under the Karma stream, the Company was 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 31 March 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 recognised as revenue only on the actual proceeds received, which per the agreement is 20% of the spot gold price. As at 31 March 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 1 September 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 4 March 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 recognised on actual proceeds received. The Company delivered 5,483 ounces during the period ended 30 September 2021 after its acquisition of Teranga and as at 30 September 2021, 95,223 ounces is still to be delivered under the Fixed Delivery Period.

20 SUBSEQUENT EVENTS

Share buyback programme

Subsequent to 30 September 2021 and up to 10 November 2021, the Company has repurchased a total of 39,100 shares at an average price of $22.73 for total cash outflows of $0.9 million.

Capital reduction completed

On 5 October 2021, the Company completed the reduction of capital whereby 4,450,000,000 deferred shares at a par value of $1,00 each were cancelled, and the resulting $4.45 billion in share capital was reclassified to deficit.

Refinancing

On 14 October 2021, the Company completed an offering of $500.0 million fixed rate senior notes (the "Notes") due in 2026 and the entered into a new $500.0 million unsecured RCF agreement (the "new RCF") with a syndicate of international banks. The proceeds of the Notes were used to repay all amounts outstanding under the Company's existing loan facilities and to pay fees and expenses in connection with the offering of the Notes. The new RCF will replace the bridge facility and existing RCF, which was cancelled upon completion of the Notes offering.

Key terms of the Notes include:

- Principal amount of $500.0 million
- Interest rate of 5% per annum payable on a semi-annual basis
- The term of the Notes is 5 years, maturing in October 2026
- The notes are reimbursable through the payment of cash

The key terms of the new RCF include:

- Principal amount of $500.0 million
- Interest accrues on LIBOR plus 2.4% - 3.4% depending on leverage.
- The principal outstanding is repayable after a four year tenor in October 2025
- The undrawn portion has a commitment fee of 35% of the applicable margin (0.84% based on currently applicable margin)

Covenants on the new RCF include:

- Interest cover ratio as measured by ratio of earnings before interest, tax, depreciation and amortisation ("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 trailing twelve months EBITDA at the end of each quarter must not exceed 3.5:1.0