

# ENDEAVOUR REPORTS Q1-RESULTS

**FY-2023 production and AISC guidance on track • Growth projects on budget and on schedule for 2024**

## OPERATIONAL AND FINANCIAL HIGHLIGHTS (for continuing operations)

- Q1-2023 production of 301koz at an AISC of \$1,022/oz; On track to achieve full year 2023 guidance with performance weighted towards H2-2023
- EBITDA of \$206m for Q1-2023; Adjusted EBITDA of \$279m for Q1-2023, down 3% over Q4-2022
- Net Earnings of \$4m for Q1-2023; Adjusted Net Earnings of \$70m (or \$0.28/sh) for Q1-2023, up 8% over Q4-2022
- Operating Cash Flow before changes in WC of \$242m (or \$0.98/sh) for Q1-2023, down 14% over Q4-2022
- Strong financial position at quarter end with \$810m cash position in addition to \$285m in available sources of financing
- Reimbursed in cash the \$330m principal amount of its convertible bond in Q1-2023 to minimise shareholder dilution

## ROBUST SHAREHOLDER RETURNS

- H2-2022 dividend of \$100m was paid in Q1-2023, amounting to \$400m paid since early 2021
- Share buybacks continue to supplement shareholder returns with \$11m or 0.4 million shares repurchased in Q1-2023, amounting to \$244m or 11.1 million shares repurchased since early 2021

## ORGANIC GROWTH

- Sabodala-Massawa expansion and the Lafigué greenfield project are both on budget, with 70% and 46% of the initial capital committed respectively, and on schedule for Q2-2024 and Q3-2024 respectively
- Strong exploration effort with \$22m spent in Q1-2023 out of FY-2023 exploration guidance of \$70m; updated resource for Tanda-Iguela greenfield discovery expected to be published in H2-2023

London, 4 May 2023 – Endeavour Mining plc (LSE:EDV, TSX:EDV, OTCQX:EDVMF) (“Endeavour”, the “Group” or the “Company”) is pleased to announce its operating and financial results for Q1-2023, with highlights provided in Table 1 below.

**Table 1: Highlights for Continuing Operations<sup>1</sup>**

| All amounts in US\$ million unless otherwise specified        | THREE MONTHS ENDED |                  |               | Δ Q1-2023 vs. Q4-2022 |
|---|--------------------|------------------|---------------|-----------------------|
|   | 31 March 2023      | 31 December 2022 | 31 March 2022 |                       |
| <b>OPERATING DATA</b>   |                    |                  |               |                       |
| Gold Production, koz  | 301                | 355              | 357           | (15)%                 |
| Gold sold, koz  | 309                | 352              | 359           | (12)%                 |
| All-in Sustaining Cost <sup>2</sup> , \$/oz                   | 1,022              | 954              | 848           | +7%                   |
| Realised Gold Price, \$/oz                                    | 1,886              | 1,758            | 1,891         | +7%                   |
| <b>CASH FLOW</b>  |                    |                  |               |                       |
| Operating Cash Flow before Changes in WC                      | 242                | 281              | 368           | (14)%                 |
| Operating Cash Flow before Changes in WC <sup>2</sup> , \$/sh | 0.98               | 1.14             | 1.48          | (14)%                 |
| Operating Cash Flow   | 206                | 311              | 297           | (34)%                 |
| Operating Cash Flow <sup>2</sup> , \$/sh                      | 0.83               | 1.26             | 1.20          | (34)%                 |
| <b>PROFITABILITY</b>  |                    |                  |               |                       |
| Net Earnings/(Loss) Attributable to Shareholders              | 4                  | (256)            | (57)          | n.a.                  |
| Net Earnings/(Loss), \$/sh                                    | 0.02               | (1.04)           | (0.23)        | n.a.                  |
| Adj. Net Earnings Attributable to Shareholders <sup>2</sup>   | 70                 | 65               | 126           | +8%                   |
| Adj. Net Earnings <sup>2</sup> , \$/sh                        | 0.28               | 0.26             | 0.51          | +8%                   |
| EBITDA <sup>2</sup>   | 206                | (110)            | 218           | n.a.                  |
| Adi. EBITDA <sup>2</sup>                                      | 279                | 288              | 391           | (3)%                  |
| <b>SHAREHOLDER RETURNS</b>                                    |                    |                  |               |                       |
| Shareholder dividends paid                                    | 100                | —                | 70            | n.a.                  |
| Share buybacks  | 11                 | 24               | 31            | (54)%                 |
| Total Shareholder Returns                                     | 111                | 24               | 101           | +363%                 |
| <b>ORGANIC GROWTH</b>   |                    |                  |               |                       |
| Growth capital spend <sup>2</sup>                             | 72                 | 55               | 8             | +31%                  |
| <b>FINANCIAL POSITION HIGHLIGHTS</b>                          |                    |                  |               |                       |
| Cash  | 810                | 951              | 1,047         | (15)%                 |
| Principal debt  | (860)              | (830)            | (880)         | +4%                   |
| Net Cash, (Net Debt) <sup>2</sup>                             | (50)               | 121              | 167           | n.a.                  |

<sup>1</sup> Continuing Operations excludes the Karma mine which was divested on 10 March 2022. <sup>2</sup> This is a non-GAAP measure, see non-GAAP section of the Management Report.

Management will host a conference call and webcast today, 4 May 2023, at 8:30 am EST / 1:30 pm BST. For instructions on how to participate, please refer to the conference call and webcast section at the end of the news release.

Sebastien de Montessus, President and CEO, commented: *“During the quarter, we continued to deliver in line with our expectations and we remain well positioned to unlock near-term value for all of our stakeholders.*

*We began the year with momentum and financial strength, positioning us to deliver against this year’s capital allocation priorities of funding growth while maintaining our attractive shareholder returns programme, which has already returned \$644 million since its launch in 2021. Furthermore, to minimise shareholder dilution we settled the principal of our \$330 million convertible notes, in cash during the quarter.*

*On the operational front, we are tracking in line with our guided trend, as we expect production weighted towards the second half of the year due to mine sequencing across the group.*

*On the growth front, we are pleased to report that the Sabodala-Massawa expansion and the Lafigué greenfield build are progressing well, with both projects on time and on budget with first production expected in Q2 and Q3 2024 respectively. Our goal is to then increase our shareholder returns once these organic growth projects are completed.*

*Our exploration programme continues to provide us with a strong platform for future growth. Further drilling at last year’s Tanda-Iguela discovery in Côte d’Ivoire continues to demonstrate its potential to become another cornerstone asset and we will provide a resource update later this year.*

*We look forward to progressing our strategy this year to further strengthen our business and benefit all our stakeholders.”*

## OPERATING SUMMARY

- Strong safety performance for the Group, with a Lost Time Injury Frequency Rate (“LTIFR”) of 0.02 for the trailing twelve months ending 31 March 2023.
- The Group remains on track to achieve its FY-2023 production guidance of 1,325 - 1,425koz at an AISC of \$940 - 995/oz, with performance weighted towards H2-2023 as previously guided.
- Q1-2023 production from continuing operations amounted to 301koz, a decrease of 54koz or 15% over Q4-2022 due to FY-2023 production being weighted towards H2-2023. The decrease was mainly due to lower production at Sabodala-Massawa (down 42koz) due to the mine sequence as lower grades were processed from the Sabodala pit as the focus was on waste stripping to prepare for in-pit tailings deposition and development of the new Massawa North Zone satellite pit. Houndé and Boungou had lower production as a result of a focus on stripping activity to open up higher grade mining areas for later in the year. Mana had slightly lower production due to the focus on underground development to increase access to underground production stopes later in the year. This was partially offset by higher production at Ity and Wahgnion in line with the mine sequence.
- Q1-2023 AISC from continuing operations amounted to \$1,022/oz, an increase of \$68/oz or 7% over Q4-2022 due to lower gold sales volumes in addition to higher costs across several mines. Costs increased at Boungou and Houndé as a result of mining lower-grade zones at higher strip ratios as the mine plan focussed on stripping activity. Costs were higher at Sabodala-Massawa due to the above mentioned lower grades processed and higher strip ratio. At Mana, higher costs were the result of sequencing lower grade ore from the underground development to prioritise the advancement of the third decline into Wona underground. These AISC increases were partially offset by lower AISC at Ity and Wahgnion due to lower processing costs as a result of the benefit of softer oxide ore representing a larger proportion of the mill feed.

**Table 2: Group Production**

|  | THREE MONTHS ENDED |                  |               | 2023 FULL-YEAR GUIDANCE |          |              |
|--|--------------------|------------------|---------------|-------------------------|----------|--------------|
|  | 31 March 2023      | 31 December 2022 | 31 March 2022 |                         |          |              |
| <i>All amounts in koz, on a 100% basis</i>   |                    |                  |               |                         |          |              |
| Boungou                                      | 19                 | 26               | 34            | 115                     | —        | 125          |
| Houndé                                       | 47                 | 63               | 73            | 270                     | —        | 285          |
| Ity  | 91                 | 82               | 72            | 285                     | —        | 300          |
| Mana   | 44                 | 46               | 53            | 190                     | —        | 210          |
| Sabodala-Massawa                             | 61                 | 103              | 96            | 315                     | —        | 340          |
| Wahgnion                                     | 39                 | 36               | 29            | 150                     | —        | 165          |
| <b>PRODUCTION FROM CONTINUING OPERATIONS</b> | <b>301</b>         | <b>355</b>       | <b>357</b>    | <b>1,325</b>            | <b>—</b> | <b>1,425</b> |

**Table 3: Group All-In Sustaining Costs**

|  | THREE MONTHS ENDED |                  |               | 2023 FULL-YEAR GUIDANCE |          |            |
|--|--------------------|------------------|---------------|-------------------------|----------|------------|
|  | 31 March 2023      | 31 December 2022 | 31 March 2022 |                         |          |            |
| <i>All amounts in US\$/oz</i>          |                    |                  |               |                         |          |            |
| Boungou                                | 1,252              | 1,118            | 901           | 985                     | —        | 1,075      |
| Houndé                                 | 1,154              | 969              | 771           | 850                     | —        | 925        |
| Ity                                    | 732                | 847              | 728           | 840                     | —        | 915        |
| Mana                                   | 1,130              | 999              | 1,000         | 950                     | —        | 1,050      |
| Sabodala-Massawa                       | 787                | 661              | 578           | 760                     | —        | 810        |
| Wahgnion                               | 1,354              | 1,376            | 1,351         | 1,250                   | —        | 1,350      |
| Corporate G&A                          | 46                 | 43               | 40            | 35                      |          |            |
| <b>AISC FROM CONTINUING OPERATIONS</b> | <b>1,022</b>       | <b>954</b>       | <b>848</b>    | <b>940</b>              | <b>—</b> | <b>995</b> |

- Sustaining capital expenditure outlook for FY-2023 remains unchanged at \$165.0 million, of which \$33.3 million has been incurred in Q1-2023. Likewise, non-sustaining capital expenditure outlook for FY-2023 remains unchanged at \$205.0 million, of which \$94.5 million has been incurred in Q1-2023.
- Growth capital expenditure outlook for FY-2023 remains unchanged at \$400.0 million. In Q1-2023, \$72.2 million was incurred, of which \$26.4 million was incurred at Sabodala-Massawa, \$43.0 million was incurred at Lafigué and \$2.8 million was incurred at the Kalana project.

## SHAREHOLDER RETURNS PROGRAMME

- Endeavour's shareholder returns programme is composed of a minimum progressive dividend that may be supplemented with additional dividends and share buybacks, providing the prevailing gold price remains above \$1,500/oz, and that Endeavour's leverage remains below 0.5x Net Debt / adjusted EBITDA. The minimum dividend commitment for FY-2023 was set at \$175.0 million.
- As previously announced, Endeavour's FY-2022 dividend amounted to \$200.0 million or approximately \$0.81 per share, which represented \$50.0 million or 33% more than the minimum dividend commitment for the year. Endeavour paid its H2-2022 dividend of \$100.0 million or \$0.40 per share on 28 March 2023.
- Shareholder returns continued to be supplemented with share buybacks, with \$10.9 million or 0.4 million shares repurchased in Q1-2023. Since the commencement of the buyback programme on 9 April 2021, a total of \$243.5 million, or 11.1 million shares have been repurchased as at 31 March 2023.
- Endeavour renewed its Normal Course Issuer Bid ("NCIB") for its share buyback programme on 22 March 2023, and is entitled to repurchase up to 5% of its total issued and outstanding shares or 12,387,688 shares, during the 12 month period of the programme, and up to 25% of the average daily trading volume or 134,817 shares during each trading day, excluding purchases made in accordance with the block purchase exemptions under applicable TSX policies. All ordinary shares repurchased under the share repurchase programme will be cancelled.
- Since the launch of the Company's shareholder returns programme in early 2021, a cumulative \$643.5 million has been delivered to shareholders, comprised of \$400.0 million in dividends and \$243.5 million in share buybacks.

## CASH FLOW AND LIQUIDITY SUMMARY

The table below presents the cash flow and net debt position for Endeavour for the three month periods ended 31 March 2023, 31 December 2022, and 31 March 2022, with accompanying explanations below.

Table 4: Cash Flow and Net Debt

|   | THREE MONTHS ENDED |                  |               |
|---|--------------------|------------------|---------------|
|   | 31 March 2023      | 31 December 2022 | 31 March 2022 |
| <i>All amounts in US\$ million unless otherwise specified</i>                     |                    |                  |               |
| <b>Net cash from/(used in), as per cash flow statement:</b>                       |                    |                  |               |
| Operating cash flows before changes in working capital from continuing operations | 242                | 281              | 368           |
| Changes in working capital  | (37)               | 30               | (70)          |
| Cash generated from discontinued operations                                       | —                  | —                | 5             |
| Cash generated from operating activities  | [1] 206            | 311              | 302           |
| Cash used in investing activities   | [2] (200)          | (172)            | (94)          |
| Cash used in financing activities   | [3] (156)          | (54)             | (48)          |
| Effect of exchange rate changes on cash   | 9                  | 34               | (20)          |
| <b>(DECREASE)/INCREASE IN CASH</b>  | <b>(141)</b>       | <b>119</b>       | <b>141</b>    |
| Cash position at beginning of period  | 951                | 833              | 906           |
| <b>CASH POSITION AT END OF PERIOD</b>   | <b>[4] 810</b>     | <b>951</b>       | <b>1,047</b>  |
| Principal amount of Senior Notes  | (500)              | (500)            | (500)         |
| Principal amount of Convertible Notes   | —                  | (330)            | (330)         |
| Drawn portion of Revolving Credit Facility  | (360)              | —                | (50)          |
| <b>NET CASH/(NET DEBT)</b>  | <b>[5] (50)</b>    | <b>121</b>       | <b>167</b>    |
| Trailing twelve month adjusted EBITDA <sup>2</sup>                                | 1,173              | 1,284            | 1,464         |
| <b>(Net debt) / Adjusted EBITDA (LTM) ratio<sup>1</sup></b>                       | <b>[5] (0.04)x</b> | <b>0.09x</b>     | <b>0.11x</b>  |

<sup>1</sup>Net debt, Adjusted EBITDA, and cash flow per share are Non-GAAP measures. Refer to the non-GAAP measure section in this press release and in the Management Report.

### NOTES:

- 1) Operating cash flows decreased by \$105.2 million from \$310.8 million (or \$1.26 per share) in Q4-2022 to \$205.6 million (or \$0.83 per share) in Q1-2023 largely due to lower gold sales and an outflow in working capital, which compares to an inflow in the prior quarter.

Notable variances are summarised below:

- Working capital was an outflow of \$36.6 million in Q1-2023, a decrease of \$66.6 million over Q4-2022, largely due to increases in outflows across trade and other payables, inventories, trade and other receivables and prepaid expenses. Trade and other payables were an outflow of \$6.7 million in Q1-2023 and primarily related to a decrease in bonus

accruals as well as a decrease in supplier payables at Boungou, Houndé and Ity. Inventories were an outflow of \$9.1 million in Q1-2023 related to an increase in stockpiles at Sabodala-Massawa. Trade and other receivables were an outflow of \$15.7 million for Q1-2023 driven by a \$7.3 million gold sales receivable at Mana due to the outstanding balance pending from gold sales to the government of Burkina Faso. Payment of the outstanding balance has been delayed to Q2-2023 due to the redrafting of the sales contract to include the Ministry of Treasury as the counterparty. An increase in VAT receivables at Houndé and Mana also contributed to the outflow in trade and other receivables. Prepaid expenses and other were an outflow of \$5.1 million in Q1-2023 following increased prepayments at Houndé.

- Gold sales from continuing operations decreased from 352koz in Q4-2022 to 309koz in Q1-2023 due primarily to decreases in gold sales at Houndé, Sabodala-Massawa and Boungou as a result of lower production, partially offset by an increase at Ity. Gold sales were slightly ahead of the quarter's production of 301koz due to the timing of gold sales. The realised gold price from continuing operations for Q1-2023 was \$1,904 per ounce compared to \$1,742 per ounce for Q4-2022. Including the impact of the Group's Revenue Protection Programme, the realised gold price for Q1-2023 was \$1,886 per ounce compared to \$1,758 per ounce for Q4-2022.
  - Total cash cost per ounce increased from \$829 per ounce in Q4-2022 to \$871 per ounce in Q1-2023, primarily related to slightly higher operating expenses due to the focus on stripping activity at Boungou and Houndé, stockpiling refractory ore and processing lower grades at Sabodala-Massawa, and the focus on development at Mana.
  - Income taxes paid increased by \$24.9 million from \$14.8 million in Q4-2022 to \$39.7 million in Q1-2023, largely due to increased tax payments at Boungou and Sabodala-Massawa due to the timing of payments, which was partially offset by the impact of lower gold sales and higher unit operating costs at Boungou, Sabodala-Massawa, Mana and Wahgnion on taxable income.
- 2) Cashflows used in investing activities increased by \$28.1 million from \$172.2 million in Q4-2022 to \$200.3 million in Q1-2023 largely due to increased growth capital spend at the Sabodala-Massawa expansion and the Lafigué development project.
- Sustaining capital from continuing operations increased from \$29.6 million in Q4-2022 to \$33.3 million in Q1-2023 primarily due to increased sustaining capital spend at Wahgnion and Sabodala-Massawa due to planned increased stripping activity and at Mana due to the increased focus on development, which were partially offset by decreased sustaining capital at Boungou, Ity and Houndé.
  - Non-sustaining capital from continuing operations increased from \$77.1 million in Q4-2022 to \$94.5 million in Q1-2023, largely due to an increase at Ity related to the ongoing construction of the Recyn project and increased pre-stripping activities at Houndé and Sabodala-Massawa, which were partially offset by reduced spend at Wahgnion as the prior period had incurred set-up costs for the Samavogo deposit.
  - Growth capital increased from \$54.6 million in Q4-2022 to \$72.2 million in Q1-2023, as construction activities at the Sabodala-Massawa expansion and the Lafigué project accelerated. Additionally, \$2.8 million was incurred for the Kalana project.
- 3) Cash flows used in financing activities increased by \$102.2 million from \$53.5 million in Q4-2022 to \$155.7 million in Q1-2023. Financing activities for Q1-2023 consisted of a repayment of long-term debt of \$330.0 million, dividends paid to shareholders of \$101.4 million, a \$46.3 million payment made to Barrick Gold for Teranga Gold's acquisition of Massawa which had a 3-year look-back gold price linked contingent payment component that amounted to \$50.0 million (the remaining \$3.7 million payment was made in April 2023), payments for the settlement of shares of \$12.3 million, payments for the acquisition of the Company's own shares through its share buyback programme of \$10.9 million, payments of financing and other fees of \$9.0 million, dividends paid to minority interests of \$6.7 million and repayment of finance and lease obligations of \$5.0 million. This was partially offset by proceeds from the drawdown of the Company's revolving credit facility ("RCF") of \$360.0 million and proceeds from the exercise of options and warrants of \$5.9 million.
- Endeavour settled its \$330.0 million 3.00% Convertible Senior Notes ("Convertible Notes") through a combination settlement, at maturity on 15 February 2023. In order to minimise dilution to equity holders the Company elected to settle the principal \$330.0 million in cash and the in-the-money option in shares, for 835,254 shares (worth \$19.2 million and equivalent to ~0.3% of shares outstanding at the time of issuance). The Convertible Notes were a low cost financing solution which had a 3.00% coupon and an implicit cost of capital of 4.11% over the life of the notes after taking into account the value of the in-the-money option.
  - The Company upsized its RCF from \$575.0 million to \$645.0 million and drew down \$360.0 million on the facility during the quarter to manage short-term offshore cash outflows including the settlement of its \$330.0 million Convertible Notes, \$101.4 million in shareholder dividends and \$46.3 million payment to Barrick for Teranga Gold's acquisition of Massawa as mentioned above.
- 4) At period-end, Endeavour's liquidity remained strong with \$809.7 million of cash on hand and \$285.0 million undrawn under its RCF.
- 5) Endeavour's net debt position has decreased by \$171.4 million during Q1-2023, ending the period with \$50.3 million of net debt, primarily due to the timing of payments for the companies two development projects, the H2-2022 dividend payment and the above mentioned \$46.3 million contingent payment made to Barrick Gold.

## EARNINGS FROM CONTINUING OPERATIONS

The table below presents the earnings and adjusted earnings for Endeavour for the three month periods ended 31 March 2023, 31 December 2022, and 31 March 2022 with accompanying explanations below.

*Table 5: Earnings from Continuing Operations*

| All amounts in US\$ million unless otherwise specified  |             | THREE MONTHS ENDED |                  |               |
|---|-------------|--------------------|------------------|---------------|
|   |             | 31 March 2023      | 31 December 2022 | 31 March 2022 |
| Revenue   | [6]         | 591                | 617              | 689           |
| Operating expenses  | [7]         | (234)              | (250)            | (220)         |
| Depreciation and depletion  | [7]         | (130)              | (173)            | (152)         |
| Royalties   | [8]         | (37)               | (39)             | (41)          |
| <b>Earnings from mine operations</b>  |             | <b>189</b>         | <b>156</b>       | <b>276</b>    |
| Corporate costs   | [9]         | (14)               | (15)             | (14)          |
| Impairment of mining interests and goodwill   |             | —                  | (360)            | —             |
| Share-based compensation  |             | (8)                | (18)             | (8)           |
| Other expense   |             | (6)                | (29)             | (2)           |
| Exploration costs   |             | (13)               | (7)              | (7)           |
| <b>Earnings from operations</b>   |             | <b>149</b>         | <b>(273)</b>     | <b>245</b>    |
| Loss on financial instruments   | [10]        | (73)               | (10)             | (179)         |
| Finance costs   |             | (16)               | (16)             | (15)          |
| <b>Earnings before taxes</b>  |             | <b>60</b>          | <b>(299)</b>     | <b>51</b>     |
| Current income tax expense  | [11]        | (50)               | (57)             | (75)          |
| Deferred income tax recovery  | [12]        | 10                 | 89               | (11)          |
| <b>Net comprehensive earnings from continuing operations</b>  | <b>[13]</b> | <b>20</b>          | <b>(267)</b>     | <b>(35)</b>   |
| Add-back adjustments  | [14]        | 67                 | 361              | 186           |
| <b>Adjusted net earnings from continuing operations</b>   |             | <b>87</b>          | <b>93</b>        | <b>150</b>    |
| Portion attributable to non-controlling interests   | [15]        | 18                 | 29               | 24            |
| <b>Adjusted net earnings from continuing operations attributable to shareholders of the Company</b> | <b>[16]</b> | <b>70</b>          | <b>64</b>        | <b>126</b>    |
| <b>Adjusted net earnings per share from continuing operations</b>                                   |             | <b>0.28</b>        | <b>0.26</b>      | <b>0.51</b>   |

### NOTES:

- 6) Revenue decreased by \$26.4 million from \$617.0 million in Q4-2022 to \$590.6 million in Q1-2023 mainly due to a decrease in gold sales from 352koz in Q4-2022 to 309koz in Q1-2023, following lower production at Houndé, Sabodala-Massawa, Mana and Boungou in the quarter, partially offset by a higher realised gold price in Q1-2023 of \$1,904 per ounce compared to \$1,742 per ounce for Q4-2022, exclusive of the Company's Revenue Protection Programme.
- 7) Operating expenses decreased by \$15.2 million from \$249.5 million in Q4-2022 to \$234.3 million in Q1-2023 due to lower group production and lower operating costs at Boungou, Houndé, Ity, Sabodala-Massawa and Wahgnion, which was partially offset by higher operating costs at Mana due to the focus on development. Depreciation and depletion decreased by \$42.6 million from \$173.0 million in Q4-2022 to \$130.4 million in Q1-2023 mainly due to decreased depletion at Sabodala-Massawa and Houndé as a result of lower production, and a lower depreciable asset base following the impairments recognised at Wahgnion and Boungou in Q4-2022.
- 8) Royalties slightly decreased from \$38.5 million in Q4-2022 to \$36.9 million in Q1-2023 due to the lower gold sales.
- 9) Corporate costs decreased from \$14.5 million in Q4-2022 to \$13.5 million in Q1-2023 as the prior quarter included increased professional fees and seasonally higher employee costs.
- 10) The loss on financial instruments increased from \$10.4 million in Q4-2022 to \$72.9 million in Q1-2023 due to the unrealised losses on the gold collars and forward sales of \$40.6 million, the fair value loss on the conversion option of the Convertible Notes of \$14.9 million which were settled on 15 February 2023, the realised losses on the gold collars and forward contracts of \$5.8 million, foreign exchange losses of \$5.8 million, a change in fair value of call rights of \$4.3 million, an unrealised loss on foreign currency contracts of \$1.1 million, other financial instrument losses of \$1.1 million, and a loss on the change in fair value of contingent considerations of \$0.6 million. These losses were partially offset by a realised gain on foreign currency contracts of \$1.3 million.

As previously disclosed, in order to increase cash flow visibility during its construction phase, Endeavour extended its Revenue Protection Programme, using a combination of zero premium gold collars and forward sales contracts, to cover a portion of its 2024 production, in addition to the 2023 production for which the Company already had gold collars and forward sales contracts in place.

- During Q1-2023, 30koz were settled into forward sales contracts for an average gold price of \$1,828/oz. For the remainder of FY-2023, approximately 225koz (75koz per quarter) are expected to be delivered into a collar with a call price of \$2,100/oz and a put price of \$1,750/oz. In addition, approximately 90koz (30koz per quarter) are scheduled to be settled in forward sales contracts at an average gold price of \$1,828/oz.
- For FY-2024, approximately 450koz are expected to be delivered into a collar with a call price of \$2,400/oz and a put price of \$1,807/oz. In addition, during H1-2024, a total of approximately 70koz (approximately 35koz per quarter) are expected to be settled in forward sales contracts with an average gold price of \$2,033/oz.

As previously disclosed, Endeavour entered into a Growth Capital Protection Programme designed to enhance cost certainty for a portion of its growth capital expenditure at its Sabodala-Massawa expansion and Lafigué growth projects. The Group has entered into various foreign exchange forward contracts across both the Euro and the Australian Dollar over 2023 and 2024.

- The total outstanding notional forward contracted quantum is approximately €90.9 million at a blended rate of 0.98 EUR:USD split over 2023 and 2024 at approximately 86% and 14% respectively and approximately AU\$42.4 million at a blended rate of 0.69 AUD:USD split approximately 87% and 13% respectively over the same period.
- During Q1-2023, €23.2 million was delivered into forward contracts at a blended rate of 0.99 EUR:USD and AU\$10.4 million was delivered into forward contracts at a blended rate of 0.69 AUD:USD

- 11) Current income tax expense decreased by \$7.1 million from \$56.9 million in Q4-2022 to \$49.8 million in Q1-2023 largely due to a decrease in taxable profit.
- 12) Deferred income tax recovery decreased by \$78.6 million from \$88.8 million in Q4-2022 to \$10.2 million in Q1-2023, as the higher deferred income tax recovery in Q4-2022 was mainly due to the reversal of deferred tax liabilities recognised at the Bounou and Wahgnion mines resulting from impairments recognised in Q4-2022. For Q1-2023 deferred income tax recoveries were recognised mainly due to a depreciation of the United States dollar against the Euro resulting in a lower deferred tax liability, and a true up reflecting increased deferred tax asset values at Ity resulting from the commencement of mining at the Le Plaque pit on the Floleu permit.
- 13) Net comprehensive earnings from continuing operations increased by \$287.8 million from a loss of \$267.4 million in Q4-2022 to earnings of \$20.4 million in Q1-2023. The increase in earnings is largely driven by an impairment charge of \$360.3 million incurred in the prior quarter related to impairments taken at the Bounou and Wahgnion mines, and higher earnings from mine operations, partially offset by higher unrealised losses on financial instruments in Q1-2023.
- 14) For Q1-2023, adjustments included a loss on financial instruments of \$67.1 million largely related to the unrealised loss on forward sales and collars and a loss on other expenses of \$5.7 million, which was partially offset by a gain on non-cash, tax and other adjustments of \$5.8 million that mainly relate to the impact of the foreign exchange remeasurement of deferred tax balance.
- 15) Adjusted net earnings from continuing operations attributable to non-controlling interests decreased to \$17.5 million in Q1-2023 from \$28.8 million in Q4-2022 despite higher earnings from mining operations, due to the impairment add-back in the prior quarter resulting in higher earnings attributable to non-controlling interests.
- 16) Adjusted net earnings attributable to shareholders for continuing operations increased by \$5.4 million to \$69.9 million (or \$0.28 per share) in Q1-2023 compared to \$64.5 million (or \$0.26 per share) in Q4-2022 due to higher earnings from mine operations, lower tax expenses and lower expenses attributable to minority interests, which was partially offset by higher exploration costs.

## OPERATING ACTIVITIES BY MINE

### Bougou Gold Mine, Burkina Faso

Table 6: Bougou Performance Indicators

| For The Period Ended          | Q1-2023      | Q4-2022      | Q1-2022    |
|-------------------------------|--------------|--------------|------------|
| Tonnes ore mined, kt          | 196          | 256          | 252        |
| Total tonnes mined, kt        | 3,059        | 3,497        | 6,334      |
| Strip ratio (incl. waste cap) | 14.61        | 12.66        | 24.13      |
| Tonnes milled, kt             | 265          | 295          | 349        |
| Grade, g/t                    | 2.55         | 2.85         | 3.03       |
| Recovery rate, %              | 92           | 93           | 95         |
| <b>PRODUCTION, KOZ</b>        | <b>19</b>    | <b>26</b>    | <b>34</b>  |
| Total cash cost/oz            | 1,207        | 1,054        | 848        |
| <b>AISC/OZ</b>                | <b>1,252</b> | <b>1,118</b> | <b>901</b> |

#### Q1-2023 vs Q4-2022 Insights

- Production decreased from 26koz in Q4-2022 to 19koz in Q1-2023 due to lower tonnes of ore milled at lower average processed grades and lower recoveries.
  - Total tonnes mined and tonnes of ore mined decreased as mining activities continued to be impacted by the previously disclosed supply chain delays in getting fuel and consumables to site. Ore mining was primarily focused on the West pit phase 3 while pre-stripping activities were undertaken in the West Flank pit.
  - Tonnes milled decreased in line with the lower mining performance
  - Processed grades and recoveries decreased as lower grade stockpiles were used to supplement the mill feed.
- AISC increased from \$1,118/oz in Q4-2022 to \$1,252/oz in Q1-2023 largely due to the decrease in the volume of gold sold and an increase in unit mining and processing costs due to operational downtime.
- Sustaining capital expenditure amounted to \$0.9 million in Q1-2023 primarily related to plant equipment and capitalised mining fleet lease costs.
- Non-sustaining capital expenditure amounted to \$6.2 million in Q1-2023 primarily related to pre-stripping activity at the West Flank pit.

#### Q1-2023 vs Q1-2022 Insights

- Q1-2023 production decreased from 34koz in Q1-2022 to 19koz in Q1-2023 as a result of the reduced availability of high grade ore due to the mine sequence and lower mined volumes as activities continued to be impacted by the previously disclosed supply chain delays. AISC increased from \$901/oz in Q1-2022 to \$1,252/oz in Q1-2023 due to lower gold sold with lower grades processed and an increase in unit mining and processing costs due to increases in fuel and consumable costs.

#### 2023 Outlook

- Bougou is expected to produce between 115 - 125koz in FY-2023 at an AISC of between \$985 - 1,075/oz.
- In Q2-2023, mining activities are expected to focus on continued waste stripping at the West Flank pit and ore mining in the West pit phase 3. Grades are expected to improve progressively through the year as stripping activity is expected to improve access to higher grade ore in the West Flank pit. As previously guided, production is expected to be weighted to H2-2023 with increased volumes of higher-grade ore expected to be sourced from the West Flank pit and mill throughput expected to increase.
- Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$5.0 million, of which \$0.9 million has been incurred to date, and is mainly related to plant maintenance and upgrades to the fuel storage facilities.
- Non-sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$30.0 million, of which \$6.2 million has been incurred to date, and is mainly related to waste stripping activity at the West Flank pit.



## Houndé Gold Mine, Burkina Faso

Table 7: Houndé Performance Indicators

| For The Period Ended          | Q1-2023      | Q4-2022    | Q1-2022    |
|-------------------------------|--------------|------------|------------|
| Tonnes ore mined, kt          | 1,233        | 1,912      | 1,338      |
| Total tonnes mined, kt        | 13,247       | 12,901     | 12,686     |
| Strip ratio (incl. waste cap) | 9.74         | 5.75       | 8.48       |
| Tonnes milled, kt             | 1,370        | 1,359      | 1,233      |
| Grade, g/t                    | 1.18         | 1.55       | 1.94       |
| Recovery rate, %              | 93           | 92         | 95         |
| <b>PRODUCTION, KOZ</b>        | <b>47</b>    | <b>63</b>  | <b>73</b>  |
| Total cash cost/oz            | 945          | 793        | 697        |
| <b>AISC/OZ</b>                | <b>1,154</b> | <b>969</b> | <b>771</b> |

### Q1-2023 vs Q4-2022 Insights

- Production decreased from 63koz in Q4-2022 to 47koz in Q1-2023 due to lower grades processed, which were partially offset by higher tonnes milled and increased recoveries.
  - Total tonnes mined increased as mining activities largely focussed on waste development at the Kari Pump pit stage-3 cutback and at the Vindaloo Main pit. Tonnes of ore mined decreased as the Kari West pit was the principle source of ore during the quarter.
  - Tonnes milled increased slightly due to increased volumes of soft oxide ore from the Kari West pit in the feed, which was supplemented by ore from stockpiles.
  - Average gold grade milled decreased, in line with the mine sequence, due to a higher proportion of ore sourced from the lower grade Kari West pit.
  - Recoveries increased slightly due to the higher proportion of oxide ore from the Kari West pit with higher associated recoveries, in the ore blend.
- AISC increased from \$969/oz in Q4-2022 to \$1,154/oz in Q1-2023 primarily due to the lower volume of gold sold during the quarter due to lower grade ore and higher strip ratio in addition to mining unit rates increasing, partially offset by lower processing unit costs due to changes in the ore blend requiring fewer reagents.
- Sustaining capital expenditure amounted to \$10.2 million in Q1-2023 mainly related to waste development at the Vindaloo Main pit, plant equipment and HME maintenance.
- Non-sustaining capital expenditure amounted to \$21.1 million in Q1-2023 mainly related to the continuation of pre-stripping activities at the Kari Pump pit and infrastructure around the Kari area including an overhead power line.

### Q1-2023 vs Q1-2022 Insights

- Production decreased from 73koz in Q1-2022 to 47koz in Q1-2023 due to the lower grade ore from Kari West making up the majority of the mill feed, while pre-stripping activity in the Kari Pump pit stage-3 cutback continued during Q1-2023. AISC increased from \$771/oz in Q1-2022 to \$1,154/oz in Q1-2023 due to the lower grade and higher strip ratio ore mined and processed, at higher unit mining and processing costs due to fuel and consumable price increases, as well as increased sustaining capital due to waste development activities at the Vindaloo pits as well as equipment upgrades and maintenance.

### 2023 Outlook

- Houndé is expected to produce between 270 - 285koz in FY-2023 at an AISC of \$850 - 925/oz.
- In Q2-2023, ore is expected to continue to be mined primarily from the Kari West pit, while waste stripping activity continues at the high-grade Kari Pump and Vindaloo Main pits. Grades are expected to improve later in the quarter as waste stripping activity advances, providing access to some ore zones in the Kari Pump pit. In H2-2023, greater volumes of ore are expected to be mined from the Kari Pump and Vindaloo Main pits following the completion of waste stripping in H1-2023, with Kari West continuing to provide supplemental feed. As previously guided, production for the year is expected to be weighted towards H2-2023 as a result of the advance of stripping activities providing access to higher grade ore in the Kari Pump and Vindaloo Main pits. Throughput and recoveries are expected to be slightly lower in H2-2023 due to a greater proportion of harder, fresh, high-grade ore in the blend.
- Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$40.0 million, of which \$10.2 million has been incurred in Q1-2023, and is mainly related to waste stripping activity, fleet re-builds and plant equipment replacements and upgrades.
- Non-sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$35.0 million, of which \$21.1 million has been incurred in Q1-2023, and is mainly related to Kari Pump pre-stripping activities and stage 8 and 9 of the TSF 1 embankment raise.

Table 8: Ity Performance Indicators

| For The Period Ended          | Q1-2023    | Q4-2022    | Q1-2022    |
|-------------------------------|------------|------------|------------|
| Tonnes ore mined, kt          | 1,936      | 1,662      | 2,534      |
| Total tonnes mined, kt        | 7,366      | 6,043      | 6,951      |
| Strip ratio (incl. waste cap) | 2.80       | 2.64       | 1.74       |
| Tonnes milled, kt             | 1,819      | 1,710      | 1,669      |
| Grade, g/t                    | 1.68       | 1.73       | 1.70       |
| Recovery rate, %              | 93         | 87         | 80         |
| <b>PRODUCTION, KOZ</b>        | <b>91</b>  | <b>82</b>  | <b>72</b>  |
| Total cash cost/oz            | 712        | 816        | 707        |
| <b>AISC/OZ</b>                | <b>732</b> | <b>847</b> | <b>728</b> |

#### Q1-2023 vs Q4-2022 Insights

- Production increased from 82koz in Q4-2022 to 91koz in Q1-2023, due to higher tonnes of ore milled and improved recovery rates, partially offset by a slight decrease in average grade milled.
  - Ore tonnes mined increased due to higher mining rates driven by increased fleet availability and utilisation at the Bakatouo and Walter pits, and at historical stockpiles.
  - Tonnes milled increased due to a higher proportion of soft oxide material in the mill feed improving mill availability and supporting increased use of the surge bin.
  - Average grade milled decreased due to less high-grade ore mined from the Bakatouo, Le Plaque and Ity pits as well as increased blending of lower grade historic stockpiles.
  - Recovery rates increased as a result of the change in the ore blend along with the continued benefit of the pre-leach tanks which came online in mid-2022.
- AISC decreased from \$847/oz in Q4-2022 to \$732/oz in Q1-2023 due to the increased volume of gold sold, lower mining unit costs driven by shorter waste haulage distances at Bakatouo, Walter and Le Plaque pits in Q1-2023, and lower processing unit costs as a result of less fresh ore in the feed.
- Sustaining capital expenditure amounted to \$1.8 million in Q1-2023 mainly related to spare parts and capitalised lease costs for the HME fleet.
- Non-sustaining capital expenditure amounted to \$31.0 million in Q1-2023 mainly related to the ongoing construction of the Recyn project, the TSF 1 wall raise, TSF 2 construction and land compensation at the Le Plaque extension, in addition to pre-stripping activity at the Le Plaque pit.

#### Q1-2023 vs Q1-2022 Insights

- Production increased from 72koz in Q1-2022 to 91koz in Q1-2023 due to an increase in throughput rates as a result of improvements in plant performance, continued use of the surge bin to introduce supplemental ore into the mill feed and higher recoveries following the commissioning of the pre-leach tank, partially offset by a decrease in average grade milled due to the cessation of processing the high-grade material from Daapleu. AISC remained consistent at \$732/oz in Q1-2023, as increases in mining costs due to increased volumes and higher G&A costs due to timing of expenditure between quarters were offset by slightly lower processing costs driven by higher oxide in the blend.

#### 2023 Outlook

- Ity is expected to produce between 285 - 300koz in FY-2023 at an AISC of \$840 - 915/oz.
- In Q2-2023, ore is expected to be sourced from the Ity, Bakatouo, Le Plaque and Walter pits, supplemented by historical Verse Ouest stockpiles, while mining and milling rates are expected to reduce compared to the prior quarter due to the commencement of stripping activity at the Walter and Bakatouo pits as they are merged to form one larger pit in line with the mine sequence. For H2-2023, ore is expected to be sourced mainly from the Le Plaque, Ity and Bakatouo pits and mining and milling rates are expected to remain consistent with H1-2023.
- Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$25.0 million, of which \$1.8 million has been incurred in Q1-2023, and is mainly related to drilling of de-watering boreholes and capital spares.
- Non-sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$40.0 million, of which \$31.0 million has been incurred in Q1-2023, and is mainly related to the completion of the Recyn project, which is expected to be commissioned in H2-2023. The stage 5 raise of TSF 1 and the construction of TSF 2 are currently underway and will continue throughout 2023, and the mineral sizer primary crushing optimisation initiative is expected to be launched in H2-2023, which will debottleneck the oxide feeding system.

Table 9: Mana Performance Indicators

| For The Period Ended             | Q1-2023      | Q4-2022    | Q1-2022      |
|----------------------------------|--------------|------------|--------------|
| OP tonnes ore mined, kt          | 423          | 338        | 470          |
| OP total tonnes mined, kt        | 1,783        | 1,057      | 1,644        |
| OP strip ratio (incl. waste cap) | 3.22         | 2.13       | 2.50         |
| UG tonnes ore mined, kt          | 253          | 299        | 199          |
| Tonnes milled, kt                | 614          | 643        | 622          |
| Grade, g/t                       | 2.34         | 2.33       | 2.94         |
| Recovery rate, %                 | 94           | 93         | 92           |
| <b>PRODUCTION, KOZ</b>           | <b>44</b>    | <b>46</b>  | <b>53</b>    |
| Total cash cost/oz               | 1,046        | 941        | 948          |
| <b>AISC/OZ</b>                   | <b>1,130</b> | <b>999</b> | <b>1,000</b> |

#### Q1-2023 vs Q4-2022 Insights

- Production decreased from 46koz in Q4-2022 to 44koz in Q1-2023 due to lower tonnes milled.
  - Total open pit tonnes mined increased as the quarter benefited from a full period of open pit mining at the Maoula open pit.
  - Total underground tonnes of ore mined decreased due to an increased focus on underground development at Wona, where construction of a third portal has begun, deferring some stope mining to later in the year. Stope production at Siou underground remained largely consistent compared to the prior quarter. Across the Siou and Wona underground mines, 2,056 meters of development was completed during Q1-2023.
  - Tonnes milled decreased due to lower mill utilisation as a result of planned maintenance during the quarter, partially offset by an increased proportion of softer oxide ore from the Maoula open pit in the mill feed.
  - Average grades processed remained consistent with the prior period as higher grade ore from the Siou and Wona underground offset the increased proportion of relatively lower grade ore from the Maoula open pit.
  - Recovery rates increased slightly due to the change in the ore blend and improvements resulting from planned maintenance.
- AISC increased from \$999/oz in Q4-2022 to \$1,130/oz in Q1-2023 due to the higher open pit strip ratio and increased sustaining capital related to the development of Wona underground.
- Sustaining capital expenditure amounted to \$3.8 million in Q1-2023 mainly related to development at Siou underground and infrastructure at the Maoula open pit.
- Non-sustaining capital expenditure amounted to \$15.9 million in Q1-2023 mainly related to underground development and infrastructure for the third portal at Wona underground and the stage 5 TSF raise.

#### Q1-2023 vs Q1-2022 Insights

- Production decreased from 53koz in Q1-2022 to 44koz in Q1-2023 largely due to lower grades milled as lower grade ore was sourced from the Wona underground, given the focus on development during the quarter, and supplemented by relatively low grade ore from the Maoula open pit in Q1-2023. AISC increased from \$1,000/oz in Q1-2022 to \$1,130/oz primarily due to higher underground mining unit costs due to the mining of ore at increased depth and increased fuel and consumable costs.

#### 2023 Outlook

- Mana is expected to produce between 190 - 210koz in FY-2023 at an AISC of \$950 - 1,050/oz.
- In Q2-2023, ore is expected to be sourced primarily from the Siou underground and Wona underground as development work will enable increased access to stopes later in the year, while the mill feed is expected to continue to be supplemented with ore from the Maoula open pit. Processed grades are expected to increase throughout the year as higher-grade underground ore is anticipated to progressively represent a larger portion of the mill feed, and as such FY-2023 production expected to be weighted to H2-2023.
- Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$25.0 million, of which \$3.8 million has been incurred in Q1-2023, and is mainly related to Siou capitalised underground development and plant maintenance.
- Non-Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$45.0 million, of which \$15.9 million has been incurred in Q1-2023, and is mainly related to Wona underground development and establishment of a new portal, and its associated infrastructure, and the stage 5 lift of the TSF.

## Sabodala-Massawa Gold Mine, Senegal

Table 10: Sabodala-Massawa Performance Indicators

| For The Period Ended          | Q1-2023    | Q4-2022    | Q1-2022    |
|-------------------------------|------------|------------|------------|
| Tonnes ore mined, kt          | 1,235      | 1,727      | 1,708      |
| Total tonnes mined, kt        | 11,207     | 12,645     | 12,076     |
| Strip ratio (incl. waste cap) | 8.08       | 6.32       | 6.07       |
| Tonnes milled, kt             | 1,124      | 1,154      | 1,054      |
| Grade, g/t                    | 2.04       | 3.16       | 3.10       |
| Recovery rate, %              | 87         | 88         | 89         |
| <b>PRODUCTION, KOZ</b>        | <b>61</b>  | <b>103</b> | <b>96</b>  |
| Total cash cost/oz            | 619        | 559        | 448        |
| <b>AISC/OZ</b>                | <b>787</b> | <b>661</b> | <b>578</b> |

### Q1-2023 vs Q4-2022 Insights

- Production decreased from 103koz in Q4-2022 to 61koz in Q1-2023, mainly due to lower processed grades in addition to slightly lower recovery rates and throughput, as a result of a greater focus on waste stripping activities and development of new non-refractory pits at Massawa.
  - Ore tonnes mined decreased due to increased waste development at the Sabodala pit, where mining focussed on waste stripping ahead of potential in-pit tailings deposition. Ore mining activities continued at the Massawa Central Zone, Bambaraya and Sofia North pits.
  - Tonnes milled decreased slightly due to planned maintenance during the quarter, reducing mill availability.
  - Average processed grades decreased as lower grade material was sourced from the Sabodala, Bambaraya and Sofia North pits, while stripping activity progressed at the new Massawa North Zone satellite pit.
  - Recovery rates decreased slightly due to an increased proportion of oxides and transitional ore from the Massawa Central and North Zone pits processed during the quarter.
- AISC increased from \$661/oz in Q4-2022 to \$787/oz in Q1-2023 due to lower ounces of gold sold and a slightly higher sustaining capital spend in the quarter.
- Sustaining capital expenditure amounted to \$11.3 million in Q1-2023 mainly related to waste capitalisation, new mining equipment, dewatering projects and plant and infrastructure upgrades.
- Non-sustaining capital expenditure amounted to \$13.0 million in Q1-2023 mainly related to infrastructure associated with the Massawa mining area, capitalised drilling at the Delya deposit and capitalised waste development at the Sabodala pit.

### Q1-2023 vs Q1-2022 Insights

- Production decreased from 96koz in Q1-2022 to 61koz in Q1-2023 due to the lower grades milled as a result of lower high grade ore from the Sofia North, Bamabaraya and Sabodala pits. AISC increased from \$578/oz in Q1-2022 to \$787/oz in Q1-2023 due to lower gold sales, an increase in unit processing costs due to increases in fuel and some consumable costs, partially offset by lower sustaining capital.

### 2023 Outlook

- Sabodala-Massawa is expected to produce between 315 - 340koz in FY-2023 at an AISC of \$760 - 810/oz.
- In Q2-2023, ore is expected to be sourced primarily from the Bambaraya, Massawa Central Zone, Massawa North Zone and Sofia North pits. Grades are expected to improve as higher grade ore from Massawa Central Zone and Sofia North becomes available. In H2-2023, ore is expected to be sourced from Sabodala, Bambaraya, Niakafiri and Delya deposits, supplemented by ore from non-refractory oxide pits at Massawa North Zone. Tonnes milled are expected to decrease slightly in H2-2023 due to increased fresh ore in the mill feed, while grades and recoveries are expected to increase into H2-2023 with the introduction of higher grade ore from the Delya pit.
- Sustaining capital expenditure of \$45.0 million is expected in FY-2023, of which \$11.3 million has been incurred in Q1-2023, and is mainly related to capitalised waste stripping at the Bambaraya and Massawa Central Zone and North Zone pits as well as fleet re-builds and additional mining equipment purchases.
- Non-sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$35.0 million, of which \$13.0 million has been incurred in Q1-2023, and is mainly related to the cutback at the Sabodala pit, in addition to infrastructure related to the Massawa mining areas and community resettlement at the Niakafiri and Delya deposits.
- Growth capital expenditure outlook for FY-2023 remains unchanged at approximately \$170 million for FY-2023, of which \$26.4 million was incurred in Q1-2023 related to the BIOX<sup>®</sup> expansion project. Further detail on the project is provided in the Plant Expansion section below.

## Plant Expansion

- Construction of the Sabodala-Massawa expansion project was launched in April 2022 and remains on budget and on schedule for completion in late Q2-2024.
- Growth capital expenditure for the expansion project is approximately \$290 million of which \$203 million or 70% of the total has now been committed, with pricing inline with expectations. In FY-2023, approximately \$170 million is expected to be incurred, mainly related to process plant and power plant construction activities as well as the TSF-1B construction.
- Since the project launch, approximately \$85.5 million has been incurred, of which \$26.4 million was incurred in Q1-2023. The incurred spend is mainly related to construction activities, detailed engineering and design, earthworks, and civil works.
- The progress regarding critical path items is detailed below:
  - Processing plant construction is well underway with BIOX<sup>®</sup> reactors and feed tanks shells installation almost complete and welding well advanced. Neutralisation tank installation has commenced and is progressing well.
  - Engineering and procurement for the 18MW power plant expansion is completed, foundations have been poured and construction work is underway.
  - The earthworks contract for the TSF 1B has been awarded with mobilisation of the contractor ongoing.

## Wahgnion Gold Mine, Burkina Faso

Table 11: Wahgnion Performance Indicators

| For The Period Ended          | Q1-2023      | Q4-2022      | Q1-2022      |
|-------------------------------|--------------|--------------|--------------|
| Tonnes ore mined, kt          | 935          | 1,051        | 1,100        |
| Total tonnes mined, kt        | 9,378        | 9,360        | 10,173       |
| Strip ratio (incl. waste cap) | 9.03         | 7.91         | 8.25         |
| Tonnes milled, kt             | 982          | 921          | 974          |
| Grade, g/t                    | 1.32         | 1.32         | 0.99         |
| Recovery rate, %              | 92           | 92           | 91           |
| <b>PRODUCTION, KOZ</b>        | <b>39</b>    | <b>36</b>    | <b>29</b>    |
| Total cash cost/oz            | 1,228        | 1,348        | 1,134        |
| <b>AISC/OZ</b>                | <b>1,354</b> | <b>1,376</b> | <b>1,351</b> |

### Q1-2023 vs Q4-2022 Insights

- Production increased from 36koz in Q4-2022 to 39koz in Q1-2023 due to the higher tonnes milled while processed grades and recovery rates remained flat.
  - Total tonnes mined remained consistent, as unplanned downtime was largely offset by increased face access to ore in the Samavogo pits following the ramp-up of mining activities in the prior quarter.
  - Tonnes milled increased as a higher proportion of softer oxide ore from the Samavogo pit was processed.
  - Average grade milled remained flat as a higher proportion of high grade ore from the Samavogo pit offset lower grade ore from the Nogbele North pits, in line with the mine sequence.
- AISC decreased from \$1,376/oz in Q4-2022 to \$1,354/oz in Q1-2023 due to lower mining unit costs as a result of lower maintenance and lower processing costs due to processing softer oxide ore.
- Sustaining capital expenditure amounted to \$4.7 million in Q1-2023 mainly related to fleet and plant maintenance.
- Non-sustaining capital expenditure amounted to \$5.6 million in Q1-2023 mainly related to an ongoing capitalised grade control drilling campaign at the Stinger satellite deposit and community resettlement related to the Samavogo deposit.

### Q1-2023 vs Q1-2022 Insights

- Production increased from 29koz in Q1-2022 to 39koz in Q1-2023 due to higher processed grades and tonnes milled associated with the inclusion of oxide material from the Samavogo pit in the quarter compared to lower grades milled in Q1-2022, which included a higher proportion of low grade material from the Nogbele South pit. AISC was relatively flat at \$1,354/oz in Q1-2023 compared to \$1,351/oz in Q1-2022 as higher mining costs associated with increased fuel costs and higher processing costs from consumables were partially offset by lower sustaining capital.

### 2023 Outlook

- Wahgnion is expected to produce between 150 - 165koz in FY-2023 at an AISC of \$1,250 - 1,350/oz.
- In Q2-2023, ore is expected to be sourced primarily from the Samavogo and Nogbele North pits, with mining at the Nogbele South pits scheduled to end during the quarter. Grades and tonnes milled are expected to improve in Q2-2023 as ore mining continues to ramp-up at Samavogo. As previously disclosed, production is expected to be weighted towards the second half of the year as greater volumes of high grade ore are expected to be sourced from the Samavogo pits and the introduction of the high grade Stinger satellite pits is targeted for later in the year, while the strip ratio is expected to reduce throughout the year.
- Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$25.0 million, of which \$4.7 million has been incurred in Q1-2023, and is mainly related to fleet and plant maintenance.
- Non-Sustaining capital expenditure outlook for FY-2023 remains unchanged at approximately \$15.0 million, of which \$5.6 million has been incurred in Q1-2023, and is mainly related to an ongoing capitalised grade control drilling campaign and community resettlement related to the Samavogo and Stinger deposits.

## LAFIGUÉ DEVELOPMENT PROJECT

- Construction of the Lafigué project on the Fetekro property in Côte d'Ivoire was launched in early Q4-2022, following the completion of a DFS which confirmed Lafigué's potential to be a cornerstone asset for Endeavour. The project will have a 4Mtpa capacity CIL plant, with an annual average production of 203koz at a low AISC of \$871/oz over its initial 12.8 year mine life, with significant exploration potential on the Fetekro property. Construction remains on budget and on schedule and first gold production is scheduled for Q3-2024.
- Growth capital expenditure for the project is approximately \$448 million, of which \$205 million or 46% of the total has now been committed, with pricing in line with expectations.
- Since the project launch approximately \$90.5 million has been incurred, of which \$43.0 million was incurred in Q1-2023. The incurred spend is mainly related to earthworks, detailed engineering and construction activities across the process plant, infrastructure, TSF and airstrip.
- In FY-2023, approximately \$230 million is expected to be incurred, mainly related to civil works as well as process plant, TSF and power plant construction activities.
- The progress regarding critical path items is detailed below:
  - Process plant earthworks and civil works are completed with construction now well underway across the primary crusher, ball mill, reclaim tunnel, and CIL tank foundations.
  - Airfield final inspection has been completed with flights to site commencing as of April 2023.
  - Earthworks for the TSF are largely complete with HDPE liners expected to arrive on site in Q2-2023 with installation targeted for shortly after the rainy season.
  - Construction of the 225kv power line has progressed well with critical items targeting completion ahead of the rainy season. The substation earthworks are ongoing with foundations expected to be poured in Q2-2023.
  - Vocational training program for 150 youths from local communities, in partnership with the Ministry of Technical Education, Vocational Training and Apprenticeship, officially launched in March 2023.

## EXPLORATION ACTIVITIES

- Exploration will continue to be a strong focus for Endeavour during FY-2023 with an extensive exploration programme of \$70.0 million planned, prioritising the new Tanda-Iguela greenfield discovery that was made last year.
- During Q1-2023, the Group exploration spend amounted to \$22.2 million, of which \$12.1 million was spent on existing operations and \$10.1 million was spent on greenfields with a particular focus on the recent Tanda-Iguela discovery. A total of 110,773 metres of drilling were completed during the quarter.
- Endeavour remains on track to achieve its 5 year exploration target of discovering 15 to 20Moz of Indicated resources over the 2021 to 2025 period, at the low discovery cost of less than \$25 per ounce.

**Table 12: Q1-2023 Exploration Expenditure and 2023 Guidance<sup>1</sup>**

| All amounts in US\$ million | Q1-2023 ACTUAL | FY-2023 GUIDANCE |
|-----------------------------|----------------|------------------|
| Bougou mine                 | 0.0            | 1.0              |
| Houndé mine                 | 1.7            | 7.0              |
| Ity mine                    | 4.6            | 14.0             |
| Mana mine                   | 1.3            | 5.0              |
| Sabodala-Massawa mine       | 3.3            | 15.0             |
| Wahgnion mine               | 0.9            | 4.0              |
| Lafigué project             | 0.3            | 2.0              |
| Greenfields                 | 10.1           | 22.0             |
| <b>TOTAL</b>                | <b>22.2</b>    | <b>70.0</b>      |

<sup>1</sup>Exploration expenditures include expensed, sustaining, and non-sustaining exploration expenditures.

### Bougou mine

- An exploration programme of \$1.0 million is planned for FY-2023. Limited spend was incurred in Q1-2023 as the exploration programme focussed on modelling and improving geological interpretations.
- During Q1-2023, activities were primarily focussed on re-logging historic drill core and incorporating new advanced grade control drilling data into updated geological models to improve the geological interpretation of the Bougou deposit.
- During the remainder of the year, the exploration programme will focus on desktop analysis of existing drill-core and data to optimise the current reserves and resources.

### **Houndé mine**

- An exploration programme of \$7.0 million is planned for FY-2023, of which \$1.7 million was spent in Q1-2023 consisting of 6,469 meters of drilling across 41 drill holes. The exploration programme was focussed on extending the resources at Vindaloo Southeast, Vindaloo Deeps, Kari Pump and Kari West deposits as well as testing new near-mine targets including Kari Bridge and Bombi.
- During Q1-2023, drilling identified encouraging mineralised extensions at Vindaloo Southeast and at depth at Vindaloo Deeps where mineralisation remains open at depth along three mineralised zones. At Kari West and Kari Pump drilling has identified further mineralised extensions at the margins of each deposit, with further potential for resource additions identified in the north east of the Kari Pump deposit. The Kari Bridge area is a new target that has been identified between Kari Pump and Kari West. Reconnaissance drilling in Q1-2023 returned encouraging results with follow up planned for later in the year.
- During the remainder of the year, the exploration programme will be focussed on extending the mineralisation along strike at Kari Pump, Kari West and at Vindaloo Southeast and on delineating underground resource potential at Vindaloo Deeps. Additional drilling is planned at Kari Bridge and Bombi, which is an early stage target to the south west of the Kari area, with the aim of defining additional near mine resources.

### **Ity mine**

- An exploration programme of \$14.0 million is planned for FY-2023, of which \$4.6 million was spent in Q1-2023 consisting of 28,290 meters of drilling across 272 drill holes. The exploration programme was focused on extending resources at the West Flotouo, Flotuo Extension and Yopleu-Legaleu deposits, as well as reconnaissance and delineation work at several targets on the Ity belt, including the Delta Southeast deposit and the Gbampleu discovery made last year.
- During Q1-2023, drilling at the West Flotouo deposit successfully extended mineralisation, which is now over 1 kilometer in strike length, with high-grade mineralised intercepts identified at depth. Exploration at the Yopleu-Legaleu deposit focussed on extending mineralisation beneath the existing pit shell where high-grade mineralised intercepts have been drilled, and extend towards the southwest into the Delta Southeast target. At the Gbampleu discovery, which is located around 20 kilometers away from the Ity processing plant, drilling focussed on confirming the continuity of mineralisation at depth, where local high-grade zones of mineralisation have been identified and are believed to be associated with a large intrusion-related gold system.
- During the remainder of the year, the exploration programme will be focussed on follow up drilling at West Flotouo, Yopleu-Legaleu, Walter-Bakatouo and Ity to expand the existing resources, as well as follow up drilling at near mine targets Delta Southeast, Gbampleu, Goleu, Mahapleu and Mont-Bâ that are located on the Ity trend.

### **Mana mine**

- An exploration programme of \$5.0 million is planned for FY-2023, of which \$1.3 million was spent in Q1-2023, consisting of 1,775 meters of drilling across 16 drill holes. The exploration programme was focussed on identifying and delineating non-refractory regional targets within 20 kilometres of the Mana processing plant that have the potential to be open-pit resources and provide near-term supplemental mill feed.
- During Q1-2023, drilling at the Siou East target was completed with assay results expected in Q2-2023. Furthermore trenching in the Nyafe South area has identified mineralised intersections extending over 700 meters in strike length. Early stage reconnaissance mapping and sampling on the Apex Momina target area, to the north east of the Siou deposit, has also identified several high-grade mineralised samples extending over a 2.2 kilometre strike length.
- During the remainder of the year, the exploration programme will focus on analysing the assay results from Siou East drilling as well as planning follow up programmes at the Nyafe South and Apex Momina targets. In addition drilling is planned at the Maoula deposit to test mineralised extensions in an effort to expand the open pit resource at Maoula.

### **Sabodala-Massawa mine**

- An exploration programme of \$15.0 million is planned for FY-2023, of which \$3.3 million was spent in Q1-2023, consisting of 25,547 meters of drilling across 437 drill holes. The exploration programme was focussed on converting and expanding resources along the Sabodala-Shear Zone including the Kiesta, Niakifiri and Kerekounda deposits as well as delineating several new satellite targets along the Main Transcurrent Shear Zone within 30 kilometers of the Sabodala processing plant.
- During Q1-2023, drilling at the Kiesta target, located 18 kilometers from the processing plant, further delineated three zones of mineralisation identifying possible mineralised extensions along the mineralised Kiesta corridor. At the Niakifiri deposit infill drilling has increased the confidence in the down dip extensions of mineralisation outside of the existing proposed pit shell. At the Kerekounda deposit, which is located less than 10 kilometers away from the Sabodala processing plant, drilling was focussed on converting Inferred resources to the Indicated category and expanding the size of the underground resource, with several veins up to 8 meters in thickness identified carrying high-grade mineralisation. In addition early stage work on several greenfield targets along the Main Transcurrent Shear Zone, between the Delya and Massawa deposits has identified additional targets for follow up.
- During the remainder of the year, the exploration programme will focus on resource definition and extension at Kiesta, Niakifiri and Kerekounda, as well as reconnaissance work on new targets along the Main Transcurrent Shear Zone.



## Wahgnion mine

- An exploration programme of \$4.0 million is planned for FY-2023, of which \$0.9 million was spent in Q1-2023 consisting of 705 meters of drilling across 11 drill holes. The exploration programme was focussed on identifying, defining and expanding open-pit resources within and adjacent to the existing mining leases, including resource expansion drilling at the Stinger deposit as well as reconnaissance of the Samavogo North and Samavogo West targets, and the Kassera target.
- During Q1-2023, drilling at the Stinger deposit identified additional mineralisation to the northeast of the current pit design. Drilling is still underway and results are expected in Q2-2023. At Samavogo North and Samavogo West, and at Kassera which is located between Fourkoura and Stinger, early stage field reconnaissance work has identified high grade mineralisation in rock samples with follow up drilling planned for later in the year.
- During the remainder of the year the exploration programme will focus on interpreting the results of the current phase of drilling at the Stinger deposit with the aim of increasing the resource size, as well as resource expansion drilling in the area to the south east of the Samavogo deposit. Early stage reconnaissance work will continue to the north and west of Samavogo and at the Kassera target with reconnaissance drilling planned at both targets this year.

## Lafigué project

- An exploration programme of \$2.0 million is planned for FY-2023, of which \$0.3 million was spent in Q1-2023. The exploration programme is currently focussed on sterilisation drilling around the Lafigué mine footprint, while resources are being allocated to hydrogeological, geotechnical and advanced grade control drilling.
- During the remainder of the year the exploration programme will focus on evaluation of the regional targets, WA01, WA03, WA08, Central Area and Targets 4, 9, 10 and 11, identified last year within the wider Fetekro exploration permit with the goal of discovering a satellite deposit in proximity to the Lafigué deposit.

## Greenfield exploration

- A greenfield exploration programme of \$22.0 million is planned for FY-2023, of which \$10.1 million was spent in Q1-2023.
- In Côte d'Ivoire, the FY-2023 greenfield exploration programme will continue to focus on the high-priority Assafou discovery on the Tanda-Iguela property made last year, where 70,000 meters of drilling is planned for FY-2023. During Q1-2023, 41,247 meters of drilling has been completed focussed on infill drilling the Inferred resources to the southeast and northwest of the existing Indicated resources, with the aim of converting a portion of the Inferred resources to Indicated status. In addition, drilling has identified mineralised extensions outside of the existing Inferred resource both in the southeast and northwest directions along strike. Furthermore, several additional targets on the Tanda-Iguela permit were drill tested in Q1-2023, including the Pala targets where drilling has identified some high grade mineralised intercepts for follow up later this year. The Pala targets have a very similar structural setting to Assafou, located at a structural contact between the Tarkwaian sandstones and the Birimian volcanics, and mineralisation at Pala remains open along strike and down dip.
- In Burkina Faso, the FY-2023 greenfield exploration programme will focus on expanding the high-grade resources at the Bantou and Bantou North deposits, through follow up drilling of high grade mineralised intercepts along strike. Drilling is expected to commence in Q2-2023.
- In Guinea, the FY-2023 exploration programme will focus on identifying targets in the Siguiiri area, prospective for high grade deposits.

## CONFERENCE CALL AND LIVE WEBCAST

Management will host a conference call and webcast on Thursday 4 May, at 8:30 am EST / 1:30 pm BST to discuss the Company's financial results.

The conference call and webcast are scheduled at:

5:30am in Vancouver  
8:30am in Toronto and New York  
1:30pm in London  
8:30pm in Hong Kong and Perth

The webcast can be accessed through the following link:

<https://edge.media-server.com/mmc/p/8whuqzjj>

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

Analysts and investors are also invited to participate and ask questions by registering for the conference call dial-in via the following link:

<https://register.vevent.com/register/B10cb3ce5aad11463296f6065541c24246>

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

## QUALIFIED PERSONS

Mark Morcombe, COO of Endeavour Mining PLC., a Fellow of the Australasian Institute of Mining and Metallurgy, is a "Qualified Person" as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and approved the technical information in this news release.

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## ABOUT ENDEAVOUR MINING CORPORATION

*Endeavour Mining is one of the world's senior gold producers and the largest in West Africa, with operating assets across Senegal, Côte d'Ivoire and Burkina Faso and a strong portfolio of advanced development projects and exploration assets in the highly prospective Birimian Greenstone Belt across West Africa.*

*A member of the World Gold Council, Endeavour is committed to the principles of responsible mining and delivering sustainable value to its employees, stakeholders and the communities where it operates. Endeavour is admitted to listing and to trading on the London Stock Exchange and the Toronto Stock Exchange, under the symbol EDV.*

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

## CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This document contains "forward-looking statements" within the meaning of applicable securities laws. All statements, other than statements of historical fact, are "forward-looking statements", including but not limited to, statements with respect to Endeavour's plans and operating performance, the estimation of mineral reserves and resources, the timing and amount of estimated future production, costs of future production, future capital expenditures, the success of exploration activities, the expectation that an exploration permit will be received, the anticipated timing for the payment of a shareholder dividend and statements with respect to future dividends payable to the Company's shareholders, the completion of studies, mine life and any potential extensions, the future price of gold and the share buyback programme. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "expected", "budgeted", "forecasts", "anticipates", "believes", "plan", "target", "opportunities", "objective", "assume", "intention", "goal", "continue", "estimate", "potential", "strategy", "future", "aim", "may", "will", "can", "could", "would" and similar expressions.

Forward-looking statements, while based on management's reasonable estimates, projections and assumptions at the date the statements are made, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the successful integration of acquisitions or completion of divestitures; risks related to international operations; risks related to general economic conditions and the impact of credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows; Endeavour's financial results, cash flows and future prospects being consistent with Endeavour expectations in amounts sufficient to permit sustained dividend payments; the completion of studies on the timelines currently expected, and the results of those studies being consistent with Endeavour's current expectations; actual results of current exploration activities; production and cost of sales forecasts for Endeavour meeting expectations; unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; extreme weather events, natural disasters, supply disruptions, power disruptions, accidents, pit wall slides, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in the completion of development or construction activities; changes in national and local government legislation, regulation of mining operations, tax rules and regulations and changes in the administration of laws, policies and practices in the jurisdictions in which Endeavour operates; disputes, litigation, regulatory proceedings and audits; adverse political and economic developments in countries in which Endeavour operates, including but not limited to acts of war, terrorism, sabotage, civil disturbances, non-renewal of key licenses by government authorities, or the expropriation or nationalisation of any of Endeavour's property; risks associated with illegal

and artisanal mining; environmental hazards; and risks associated with new diseases, epidemics and pandemics, including the effects and potential effects of the global Covid-19 pandemic.

Although Endeavour has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Please refer to Endeavour's most recent Annual Information Form filed under its profile at [www.sedar.com](http://www.sedar.com) for further information respecting the risks affecting Endeavour and its business.

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

## **NON-GAAP MEASURES**

Some of the indicators used by Endeavour in this press release represent non-IFRS financial measures, including "all-in margin", "all-in sustaining cost", "net cash / net debt", "EBITDA", "adjusted EBITDA", "net cash / net debt to adjusted EBITDA ratio", "cash flow from continuing operations", "total cash cost per ounce", "sustaining and non-sustaining capital", "net earnings", "adjusted net earnings", "operating cash flow per share", and "return on capital employed". These measures are presented as they can provide useful information to assist investors with their evaluation of the pro forma performance. Since the non-IFRS performance measures listed herein do not have any standardised definition prescribed by IFRS, they may not be comparable to similar measures presented by other companies. Accordingly, they are 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. Please refer to the non-GAAP measures section in this press release and in the Company's most recently filed Management Report for a reconciliation of the non-IFRS financial measures used in this press release.

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