



# OPERATIONAL & FINANCIAL RESULTS

› August 01, 2018

Q1

Q2

Q3

Q4



# DISCLAIMER & FORWARD LOOKING STATEMENTS

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

Jeremy Langford, Endeavour’s Chief Operating Officer - Fellow of the Australasian Institute of Mining and Metallurgy – FAusIMM, is a Qualified Person under NI 43-101, and has reviewed and approved the technical information in this news release.

## SPEAKERS



**SÉBASTIEN DE MONTESSUS**  
*Chief Executive Officer,  
President & Director*



**JEREMY LANGFORD**  
*Chief Operating Officer*



**VINCENT BENOIT**  
*EVP – CFO  
and Corporate Development*



**PATRICK BOUISSET**  
*EVP – Exploration and Growth*

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# H1-2018 ACTIVITIES RECAP

## Strong Continued Achievements Across Our 4 Pillars



- ✓ Strong safety record
- ✓ Group production and AISC guidance on track



- ✓ Ity CIL construction is progressing on-time and on-budget
- ✓ Kalana updated feasibility study expected by Q1-2019



- ✓ Over 292,700 meters drilled in H1-2018 across the group
- ✓ Kari discoveries at Houndé
- ✓ Kalana drilling has been completed and updated resource expected in Q3
- ✓ Further drilling at the Le Plaque discovery at Ity
- ✓ Work has also progressed on standalone greenfield targets

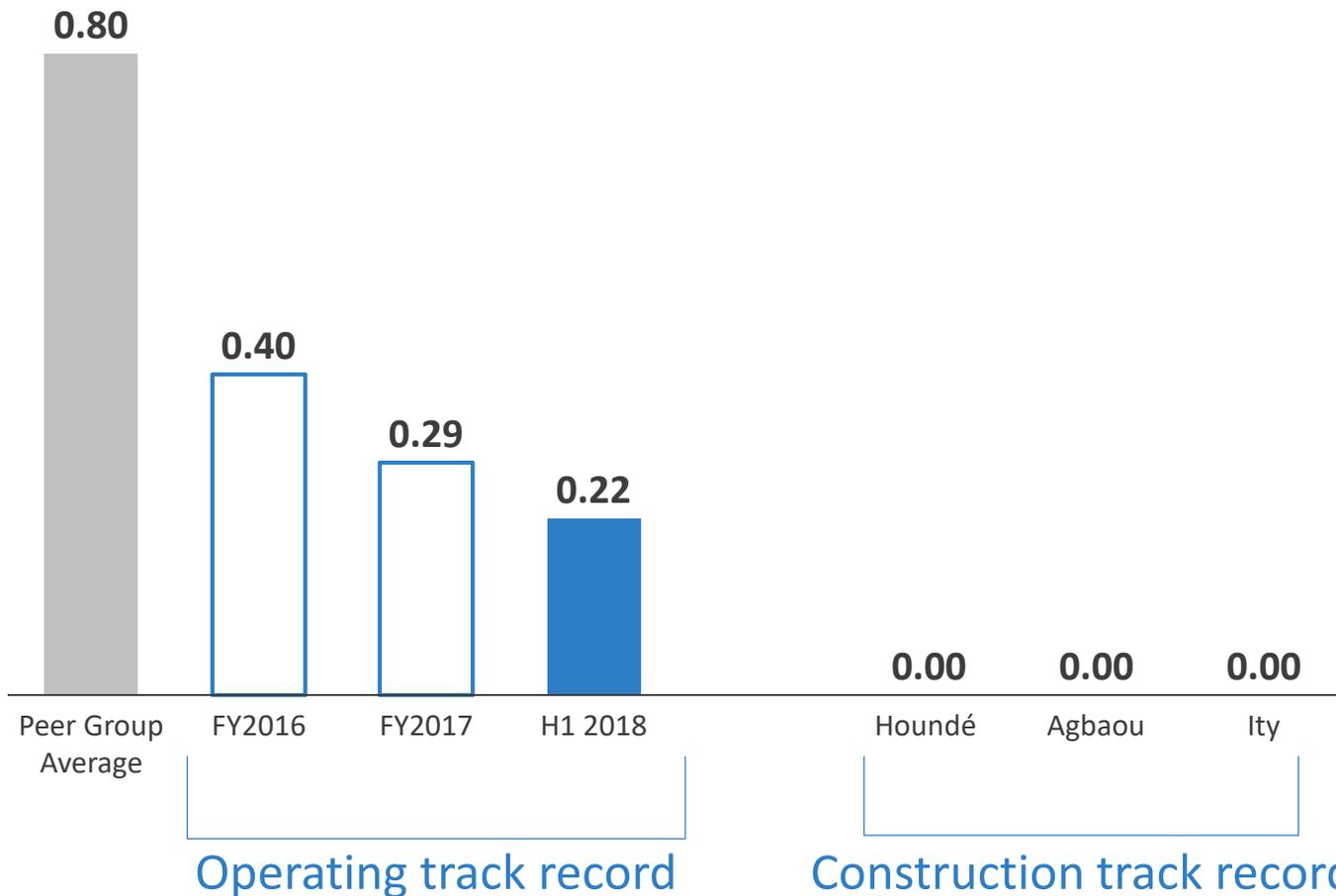


- ✓ Strong liquidity sources of \$339m while only ~\$190m remaining to spend on Ity CIL
- ✓ Sales process has been launched for non-core Tabakoto

# STRONG SAFETY RECORD

Our safety record remained better than the industry average in H1-2018

Lost Time Injury Frequency Rate



**0**

Q2-2018 Lost Time Injury Frequency Rate

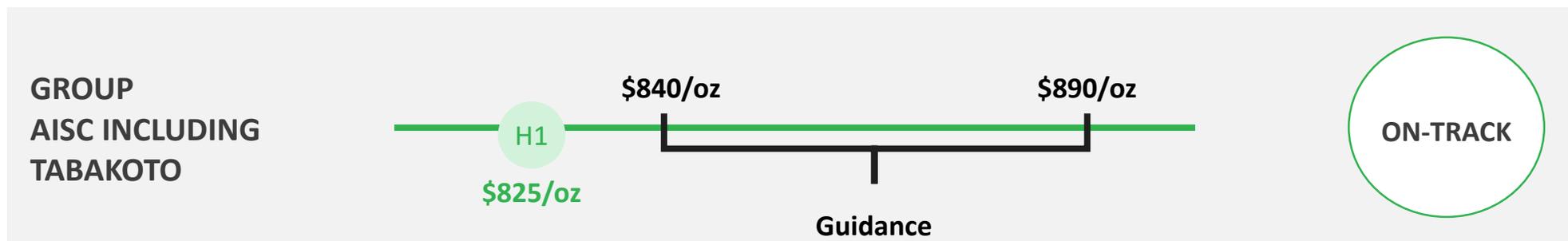
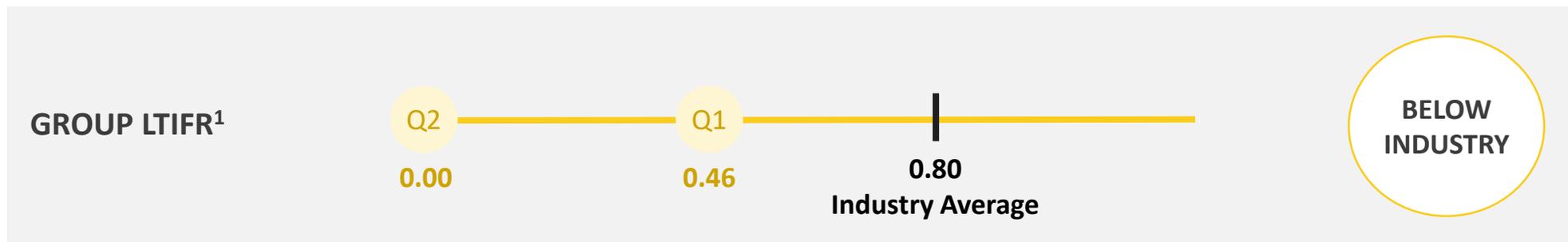
**+3.1m**

Man Hours with no LTI for Ity build

Lost Time Injury Frequency Rate= (Number of LTIs in the Period X 1,000,000)/(Total man hours worked for the period)  
 The selected peer group based on same reporting metrics, used from company annual reports for 2017 from Randgold, Nordgold, Eldorado, Asanko, Glencore, and Goldcorp

# H1-2018 PERFORMANCE IN-LINE WITH GUIDANCE

On-track to meet 2018 guidance



<sup>1</sup>Lost Time Injury Frequency Rate= (Number of LTIs in the Period X 1,000,000)/ (Total man hours worked for the period)  
 The selected peer group based on same reporting metrics, used from company annual reports for 2017 from Randgold, Nordgold, Eldorado, Asanko, Glencore, and Goldcorp

# TABAKOTO STRATEGIC ASSESMENT

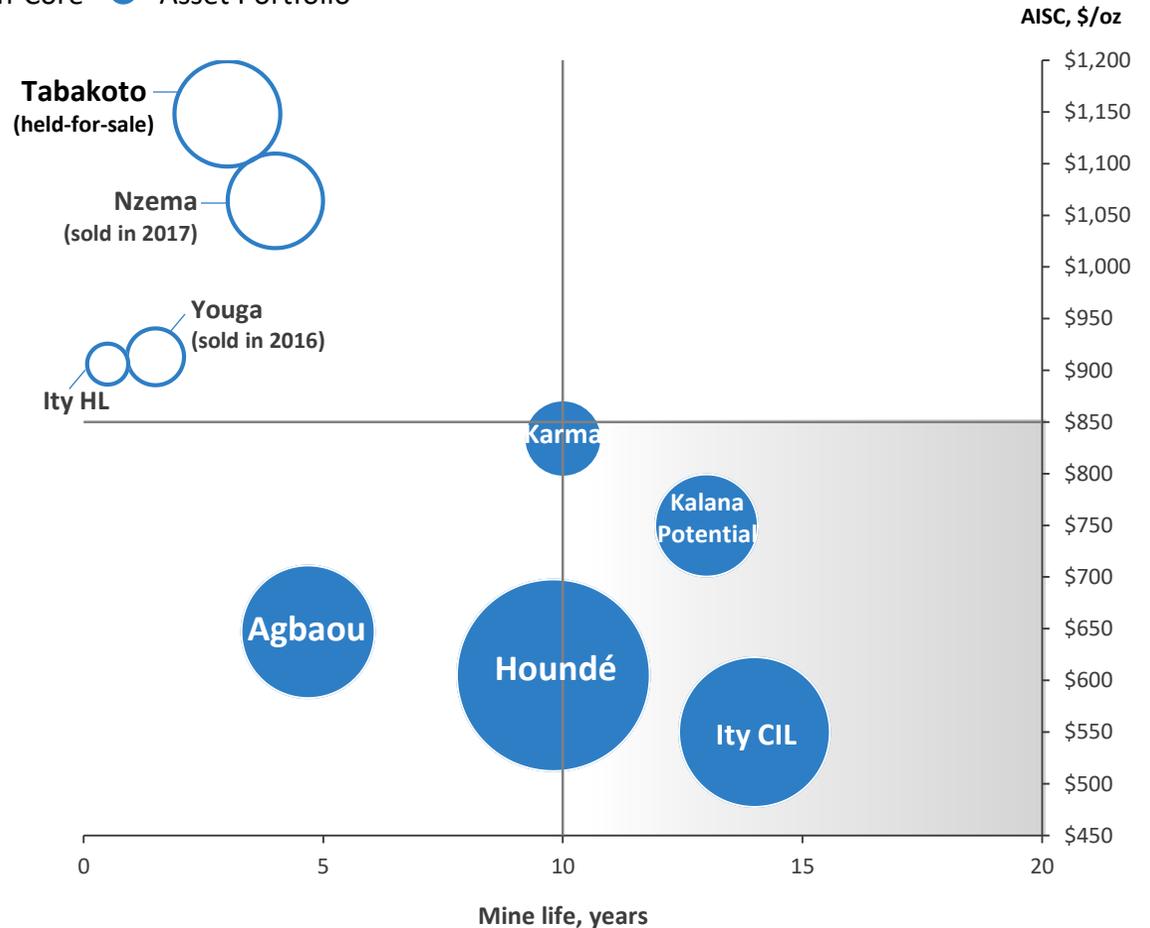
Deemed non-core and sales process has been initiated

## INSIGHTS

- › The strategic assessment completed in Q2 demonstrated the potential to reduce the mine's AISC mainly through capital investment to renew the underground fleet.
- › These investments however don't meet Endeavour's capital allocation criteria.
- › Sale process has been launched and non-binding offers were received.
- › As at June 30, 2018, the asset has therefore been classified as held-for-sale included as part of Endeavour's discontinued operations.

## PORTFOLIO MANAGEMENT

○ Non-Core ● Asset Portfolio



Bubble size represents production.

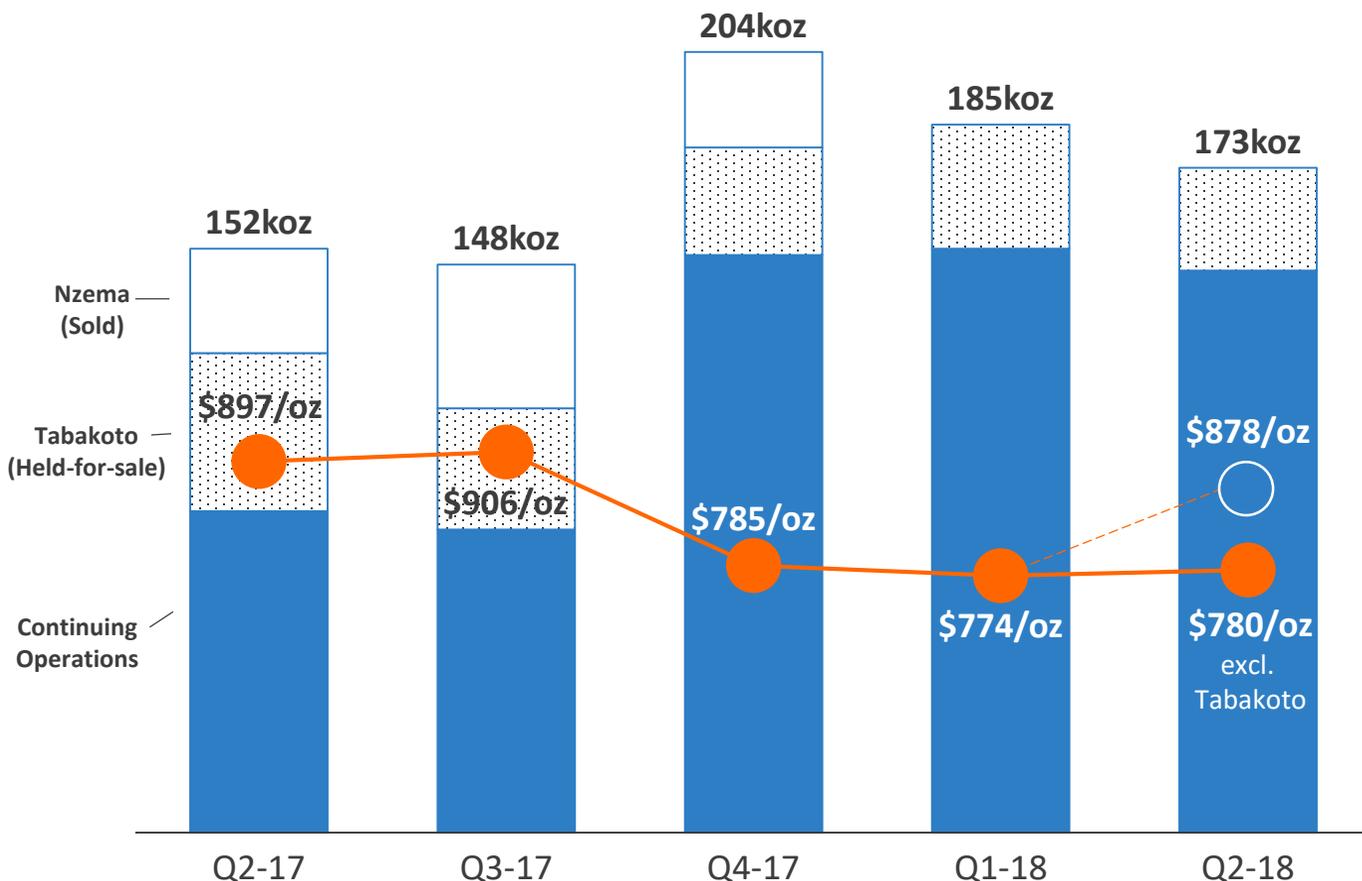
Portfolio in 2017 based on 2017 production and AISC actuals (other than Houndé which is 2018 guidance), mine lives based on end of 2017 reserves.

# PRODUCTION WELL ON-TRACK TO MEET GUIDANCE

Benefit of Houndé production reflected in lower AISC

**Group Production (koz) and AISC (US\$/oz)**

- AISC including discontinued operations unless indicated otherwise
- Production from continuing operations



**+75%**  
 Q2-18 vs. Q2-17  
 Production from continuing operations

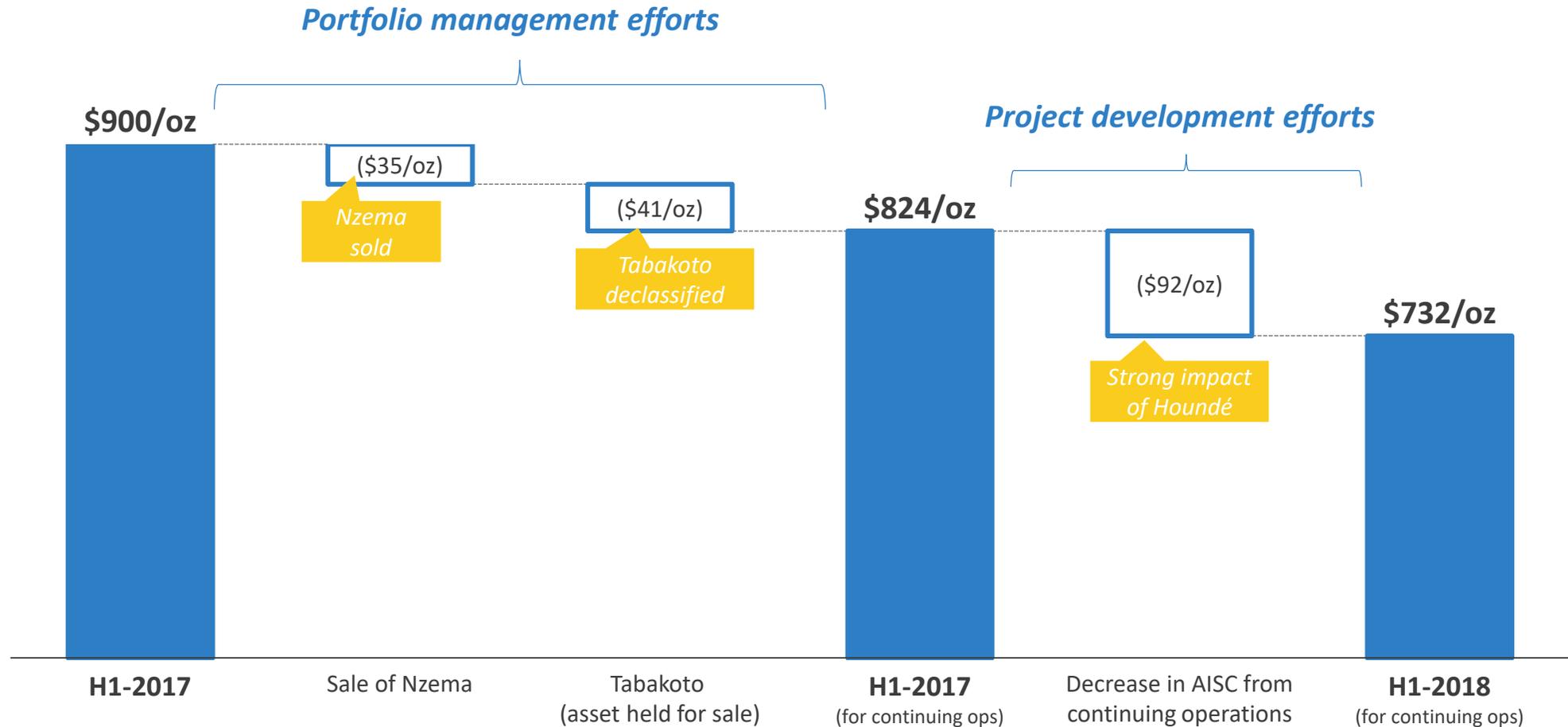
**+63koz**  
 Q2-18 vs. Q2-17  
 From continuing operations

# SIGNIFICANT REDUCTION IN AISC

Portfolio management and project development efforts have lowered AISC

## AISC variation between H1-2017 and H1-2018

In US\$/oz

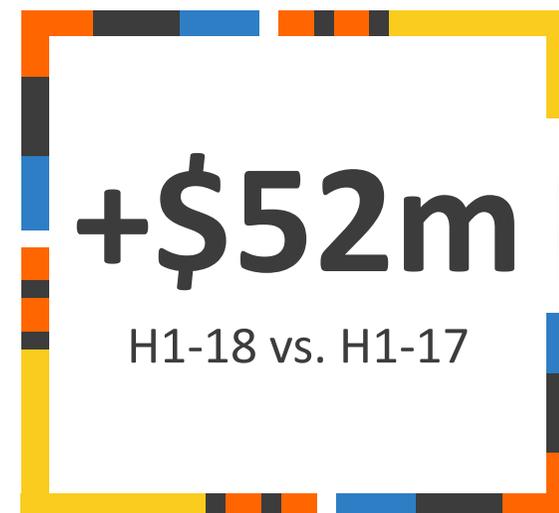
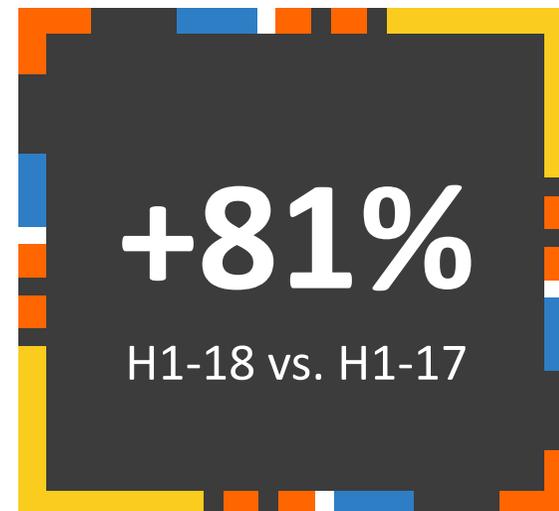
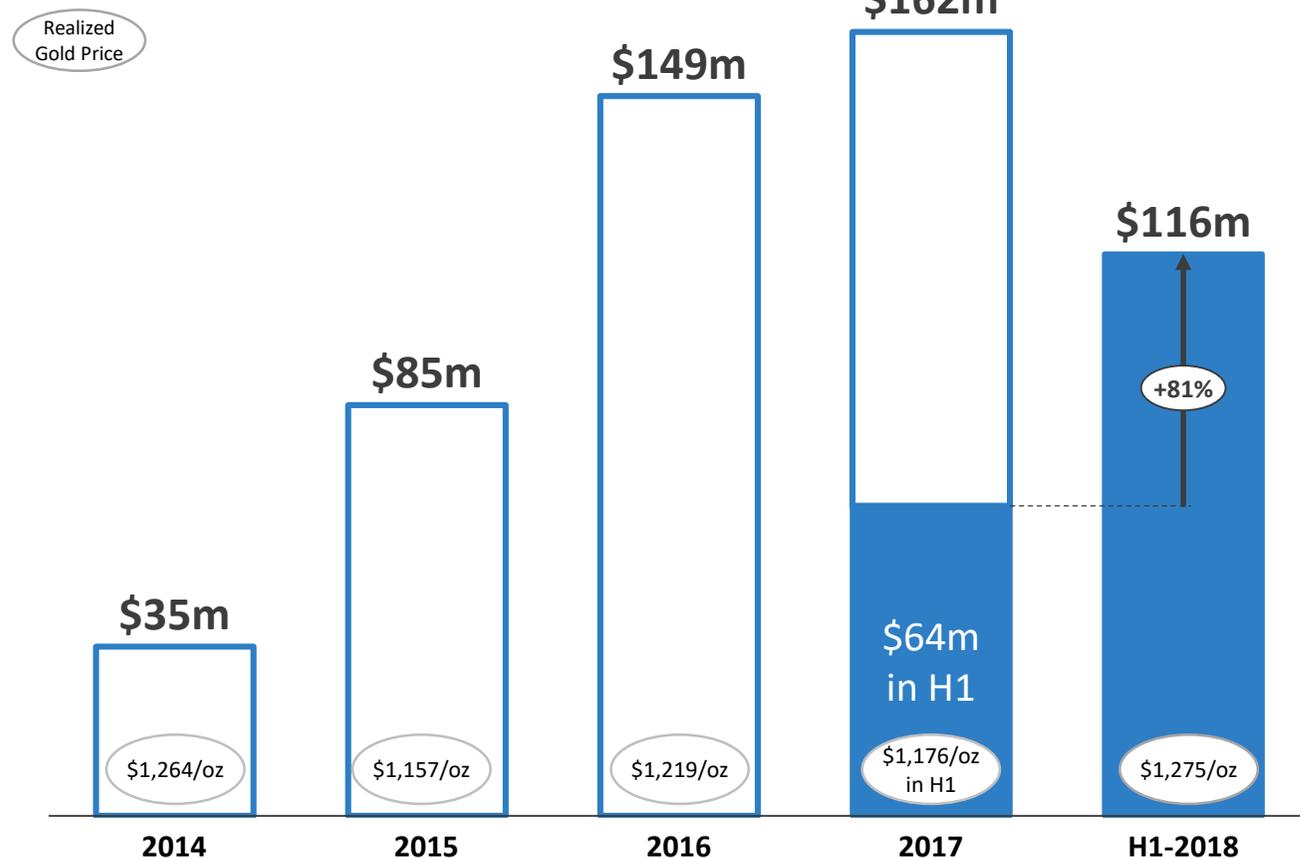


# ALL-IN MARGIN SIGNIFICANTLY INCREASED OVER 2017

Strong increase due to Houndé

## All-in Margin, in US\$m

Includes Discontinued Operations



Gold prices stated represent realized gold prices, 2016 – 2018 include the Karma stream

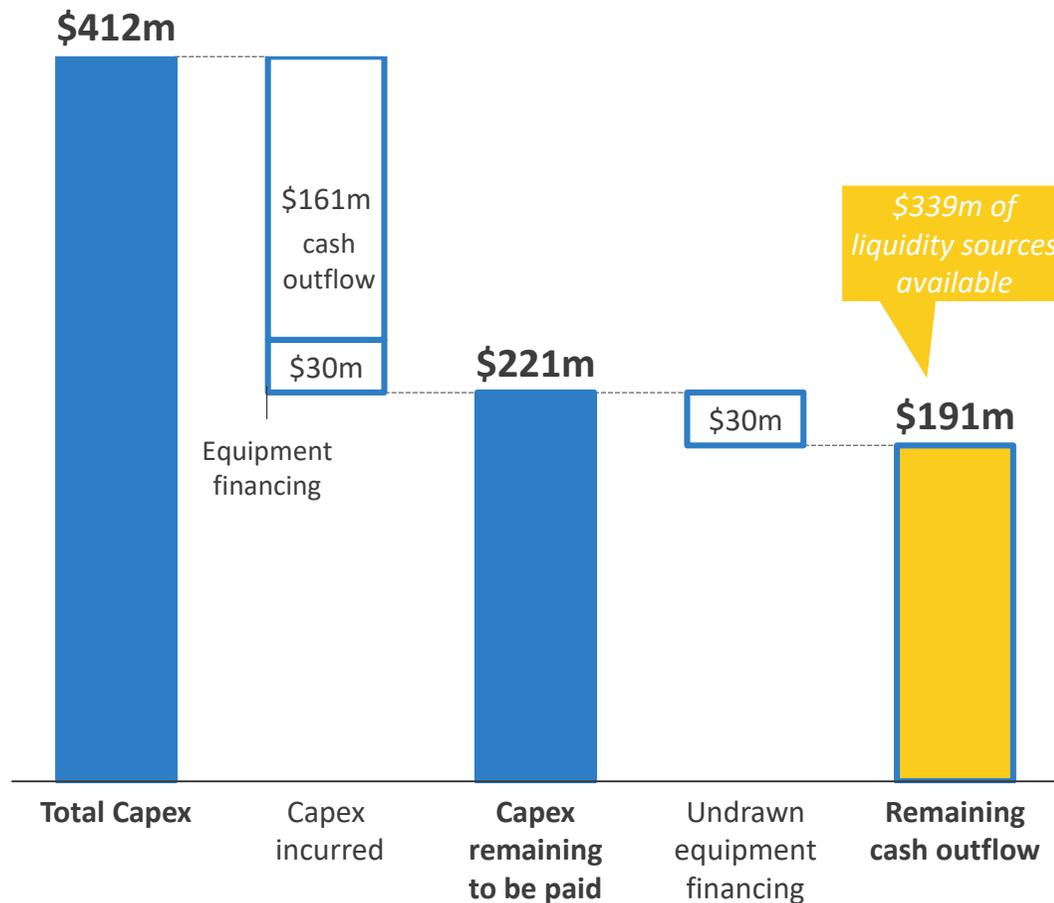
# ITY CIL PROJECT CONSTRUCTION

Overall project completion stands at over 50%, tracking well against schedule

## ACHIEVEMENTS TO DATE

- › More than 3.1 million man-hours worked with zero loss-time injuries.
- › Over 85% of the total capital cost of \$412 million has already been committed.
- › **Ball and Sag mills have arrived on site, 3 months earlier than initially planned.**
- › Plant build is progressing with all 8 bolted CIL tanks installed and 4 already hydro tested.
- › Tailings storage facility (TSF) earthworks are progressing well against schedule with over 60% already completed ahead of the rainy season.
- › Camp construction progressed well with all the 312 rooms completed and available for occupation.
- › The 90kv transmission line and power station construction is progressing well against schedule with over 60% already completed.
- › The land compensation process and resettlement activities are progressing well.
- › More than 2,100 personnel including contractors are currently employed on-site, 95% of which are locals.

## Capex spend and remaining cash outflow



# ITY CIL PROJECT CONSTRUCTION

Construction is progressing on-time and on-budget

Process Plant – Northern Perspective



Process Plant- Milling Structural Steel



Primary Crusher

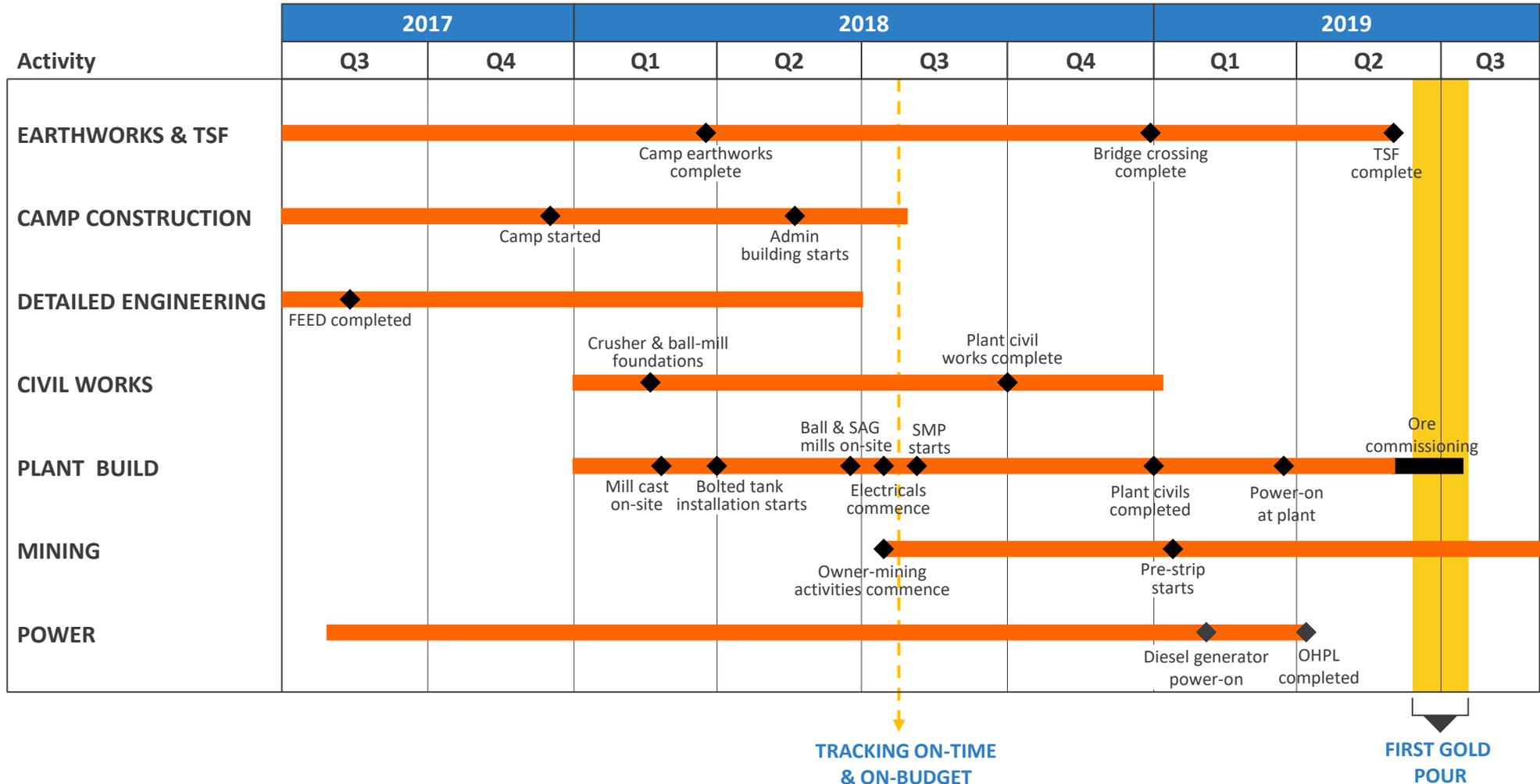


Haul Bridge – Northern Perspective



# ITY CIL PROJECT CONSTRUCTION

Overall project completion stands at over 50%, tracking in-line with the project schedule



“SMP” means Structural Mechanical and Piping, “OHPL” means 91KV Overhead Power Line, “TSF” means Tailings Storage Facility

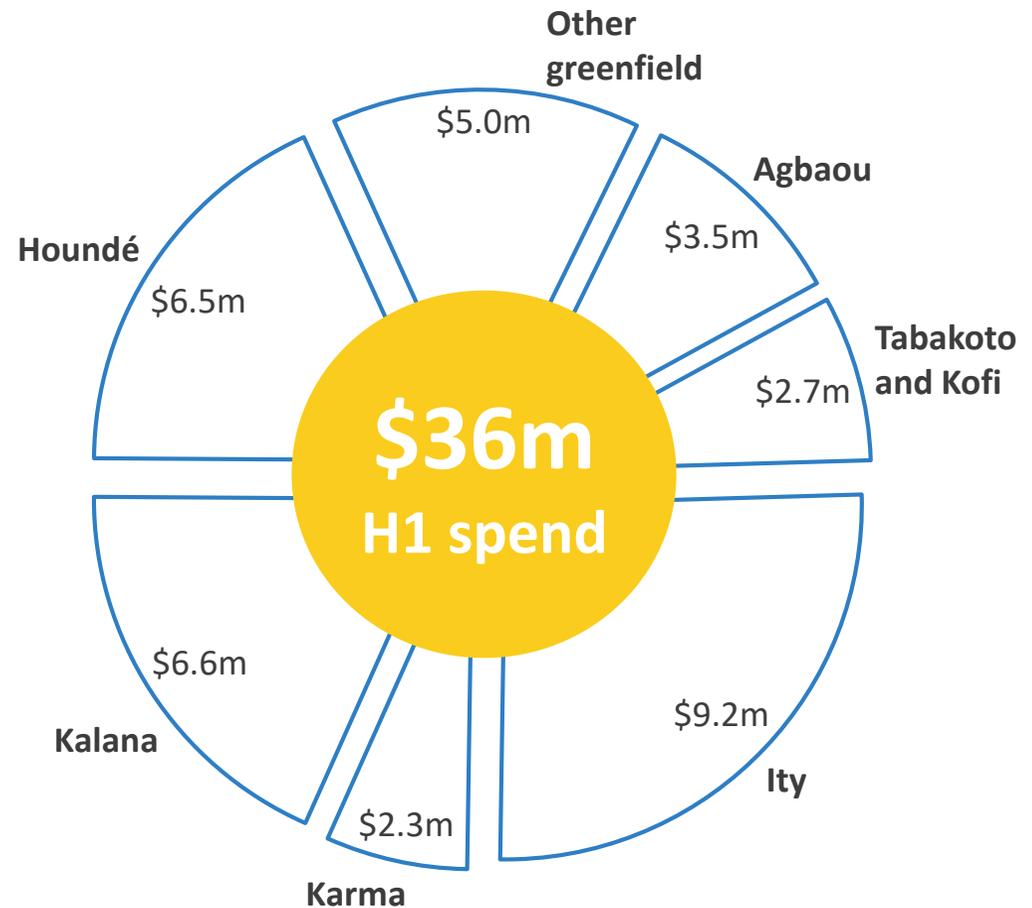
# Q2 EXPLORATION ACTIVITIES

Continued strong focus on exploration activities

## INSIGHTS

- › \$16.1m spent in Q2, totaling \$36m for H1
- › Over 292,700 meters drilled across the group in H1
  - **At Houndé:** 121,000m drilled on the recently announced 3 discoveries in the Kari area. Maiden resource on Kari Pumps target expected by year-end.
  - **At Kalana:** 48,000m drilled, confirming the overall geological. Updated resource to be published in Q3.
  - **At Ity:** 35,000m drilled, mainly on the Le Plaque discovery, where additional resources are expected to be delineated in H1-2019.
  - **Greenfield exploration:** work has progressed on targets such as Kofi North, Fetekro, Randgold JV and in Greater Ity area.
  - **At Agbaou:** 26,000m drilled, mainly focused on open pit targets located along extensions of known deposits and on parallel trends.
  - **At Karma:** 23,000m drilled, mainly focused on the Eastern extension of the North Kao deposit, on Yabonso and on Rambo West where indicated resources are expected to be delineated by year-end.
  - **At Tabakoto:** 5,000m were drilled, mainly in the underground mines with the aim of replenishing depletion.

## EXPLORATION EXPENDITURE FOR H1-2018



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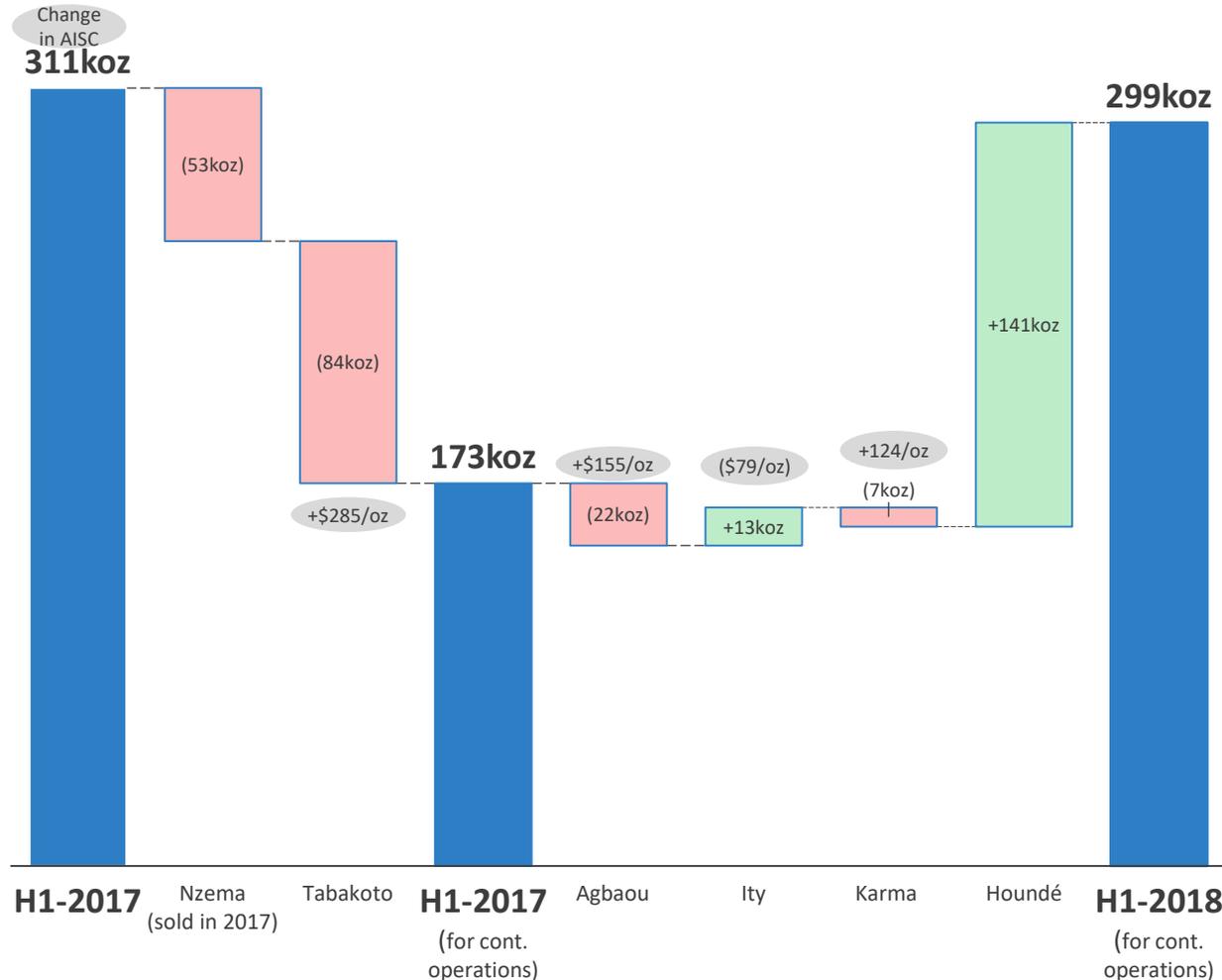
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# PRODUCTION BRIDGE

Houndé more than offset sale of Nzema and expected declines at Agbaou and Tabakoto

Production Bridge H1-2017 to H1-2018



## INSIGHTS

- › Production from continuing operations significantly increased due to the addition of the Houndé mine and an increase at the Ity mine (due to higher grades) which more than offset the expected declines at Agbaou and Karma:
  - Tabakoto has been classified as asset held-for-sale.
  - Agbaou’s production decreased and AISC increased as low-grade stockpiles supplemented the mine feed to allow waste capitalisation activities to progress more quickly.
  - Ity’s production increased and AISC decreased mainly due to increased stacked tonnage and higher grades from the Bakatouou pit, which more than compensated for lower recovery rates.
  - Karma’s production decreased and AISC increased due to the lower recovery rate associated with treating the GG2 transitional ore in H1-2018 while H1-2017 benefited from higher recovery rates associated with oxide ore and high-grade ore from the Rambo deposit.

# ALL-IN MARGIN BREAKDOWN

All-in margin increased by 81% due to successful start-up of Houndé

(in US\$ million)	HALF YEAR ENDED,	
	JUN. 30, 2018	JUN. 30, 2017
<b>GOLD SOLD FROM CONTINUING OPERATIONS, koz</b>	<b>1</b> 305	174
Gold Price, \$/oz	<b>2</b> 1,275	1,176
<b>REVENUE FROM CONTINUING OPERATIONS</b>	<b>388</b>	<b>205</b>
Total cash costs	(172)	(105)
Royalties	(22)	(9)
Corporate costs	(13)	(12)
Sustaining capex	(10)	(8)
Sustaining exploration	(5)	(8)
<b>ALL-IN SUSTAINING MARGIN FROM CONTINUING OPERATIONS</b>	<b>165</b>	<b>61</b>
All-in sustaining margin from discontinued operations	1	37
<b>ALL-IN SUSTAINING MARGIN FROM ALL OPERATIONS</b>	<b>3</b> 166	<b>99</b>
Less: Non-sustaining capital	<b>4</b> (25)	(19)
Less: Non-sustaining exploration	<b>5</b> (25)	(16)
<b>ALL-IN MARGIN FROM ALL OPERATIONS</b>	<b>6</b> 116	<b>64</b>

## Q2-2018 INSIGHTS

- Gold sales up mainly due to the successful start-up of Houndé.
- Inclusive of 10koz delivered under the Karma stream.
- Increased due to the inclusion of Houndé, higher realized gold prices, and an increase in gold sold at Ity which offset the expected decrease in revenue generated by Agbaou.
- Non-sustaining capital spend increased mainly due to an increase at Agbaou for waste capitalization activities.
- Non-sustaining exploration efforts increased in line with the Group's strategic focus on exploration.
- The All-In Margin increased as the increased production at a lower AISC cost and higher realized gold price more than out-weighed the increase in non-sustaining expenditures.

# GROWTH FUNDING SOURCES

## Cash flow from operations and RCF used to fund growth

<i>(in US\$ million)</i>	HALF YEAR ENDED,	
	JUN. 30, 2018	JUN. 30, 2017
<b>ALL-IN MARGIN FROM ALL OPERATIONS</b>	<b>116</b>	<b>64</b>
Working capital ①	(55)	(23)
Changes in long-term inventories	(10)	0
Taxes paid	(8)	(11)
Interest paid and financing fees ②	(22)	(7)
Cash settlements on hedge programs and gold collar premiums	(2)	(4)
<b>NET FREE CASH FLOW FROM OPERATIONS</b>	<b>18</b>	<b>19</b>
Growth project capital ③	(163)	(128)
Greenfield exploration expense	(5)	(4)
M&A activities	0	(55)
Cash paid on settlement of share appreciation rights, DSUs and PSUs	(4)	(1)
Net equity proceeds	1	52
Restructuring costs	0	(1)
Other (foreign exchange gains/losses and other)	(7)	(1)
<b>NET CASH/(NET DEBT) VARIATION</b>	<b>(161)</b>	<b>(119)</b>
Convertible Senior Bond ④	330	0
Proceeds (repayment) of long-term debt ⑤	(210)	80
<b>CASH INFLOW (OUTFLOW) FOR THE PERIOD</b>	<b>(41)</b>	<b>(39)</b>

### Q2-18 INSIGHTS

- The working capital variation outflow increased as a result of:
  - an increase in stockpiles at Houndé and Karma,
  - prepayments for reagents at Houndé,
  - increased outflow due to trade and other receivables driven by gold sales received at Houndé.
- Interest and financing fees paid increased due to the increase in debt outstanding related to the construction of Houndé and Ity CIL.
- Consists of \$153m on the Ity CIL project inclusive of its associated working capital, \$5m on a new group IT system, \$5m on Kalana construction.
- \$330m was received from the convertible notes issuance in Q1.
- \$280m was repaid on the revolving credit facility (“RCF”) in Q1 and then \$70m was redrawn in Q2 to fund the Ity CIL construction.

# STRONG INCREASE IN CASH FLOW PER SHARE

Significant improvement in portfolio asset quality

## Operating Cash Flow, \$/share

Before Non-Cash Working Capital



**+35%**

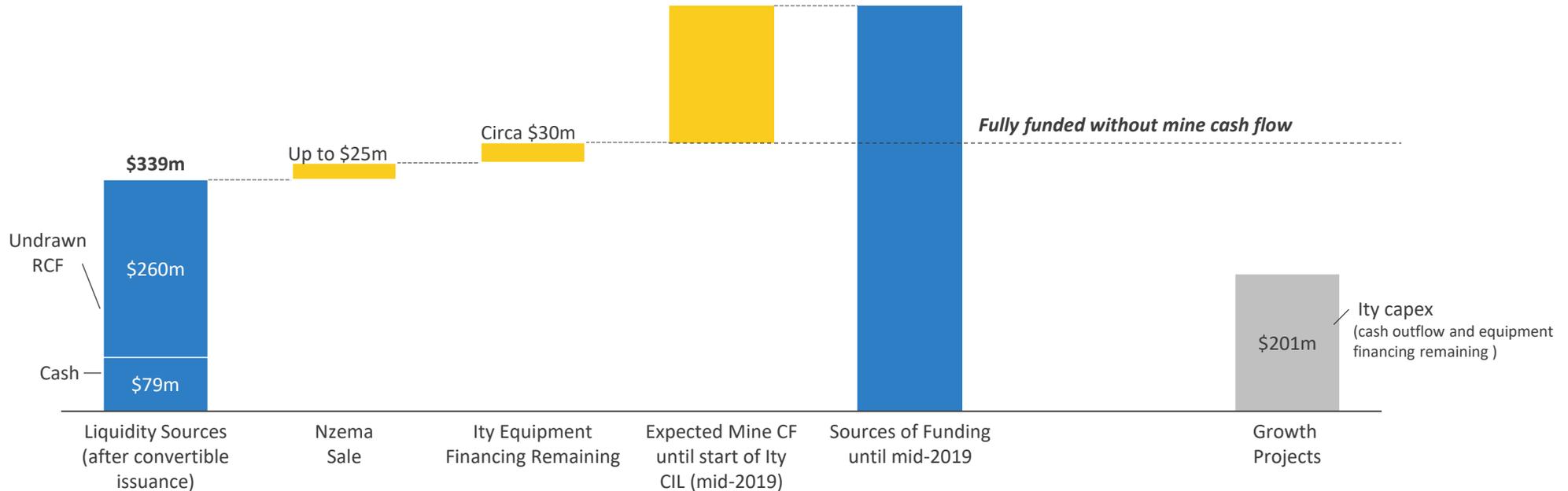
H1-18 vs. H1-17

**+\$0.39**

H1-18 vs. H1-17

# SIGNIFICANT FUNDING SOURCES TO FUND GROWTH

Balance sheet remains strong despite growth project capex spend



## INSIGHTS

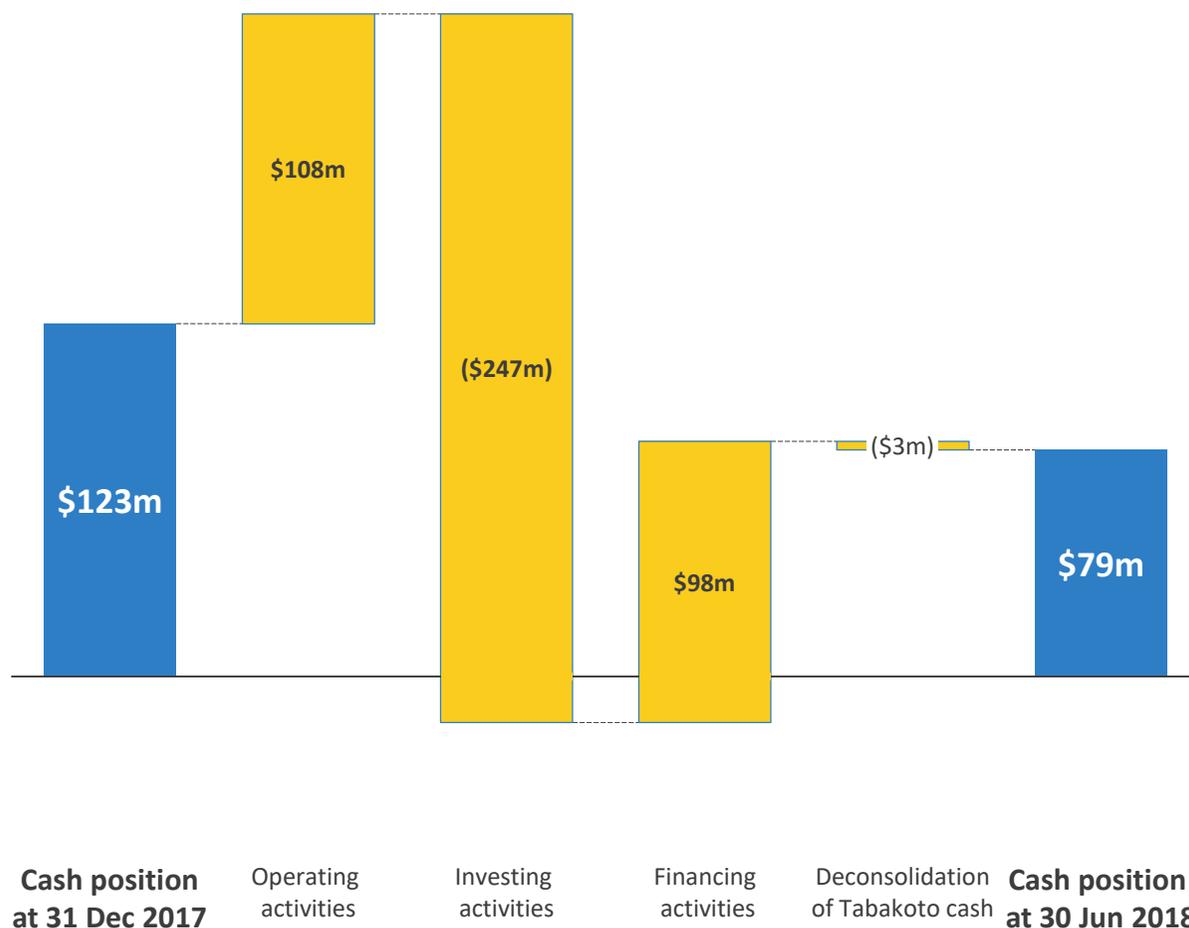
- › \$330m convertible was closed in February 2018.
- › In Q1, \$280m was paid down on the RCF and limit reduced from \$500m to \$350m. In Q2, \$70m was then redrawn on the RCF.
- › Equipment lease financing decreased by \$10 million from March 31, 2018 to \$69 million as at June 30, 2018 due to a \$6 million repayment of current period obligations and \$4 million following the deconsolidation of Tabakoto leases.

(in \$m)	JUN. 30, 2018	MAR. 31, 2018	DEC. 31, 2017
Cash at continuing operations	79	94	123
Less: Equipment finance lease	(69)	(79)	(54)
Less: Convertible Senior Bond	(330)	(330)	-
Less: Drawn portion of RCF	(90)	(20)	(300)
<b>NET DEBT POSITION</b>	<b>410</b>	<b>335</b>	<b>232</b>
Net Debt / Adjusted EBITDA (LTM) ratio	1.49	1.24	1.05

# CASH VARIATION ANALYSIS

Operating activities covered nearly half of investment activities

## Net Cash Variation Analysis



### OPERATING ACTIVITIES

- › Includes negative \$55m of negative working capital variation.

### INVESTING ACTIVITIES

- › Includes \$163 million of growth project capital.
- › Includes \$35 million of sustaining and non-sustaining mine capital expenditures.
- › Includes \$30 million of sustaining and non-sustaining exploration expenditures.

### FINANCING ACTIVITIES

- › Includes \$330 million received from the issuance of a convertible notes and a net decrease of \$210m in RCF and \$10m of repayments of finance leases.

(in US\$ million)	SIX MONTHS ENDED	
	Jun. 30, 2018	Jun. 30, 2017
<b>Net cash from (used in):</b>		
Operating activities	108	84
Investing activities	(247)	(252)
Financing activities	98	128
Cash relating to assets held for sale	(3)	0
<b>INCREASE/(DECREASE) IN CASH</b>	<b>(44)</b>	<b>(40)</b>

# NET EARNINGS BREAKDOWN

## Adjusted EPS of \$0.31

### INSIGHTS

- › H1-2018 adjusted net earnings per share from continuing operations amounted to \$0.31, up from \$0.02 in H1-2017
- › H1-2018 total adjustments of \$40 million were primarily related:
  - losses from discontinued operations
  - deferred income tax recovery
  - gains on financial instruments
  - stock-based expenses

**A** = Adjustments made

(in US\$ million)

	HALF YEAR ENDED	
	JUN. 30, 2018	JUN. 30, 2017
<b>GOLD REVENUE</b>	388	205
Operating expenses	(176)	(106)
Depreciation and depletion	(83)	(41)
Royalties	(22)	(9)
<b>EARNINGS FROM MINE OPERATIONS</b>	<b>107</b>	<b>48</b>
Corporate costs	(13)	(12)
<b>A</b> Acquisition and restructuring costs	0	(2)
<b>A</b> Share based compensation	(13)	(9)
Exploration costs	(5)	(4)
<b>EARNINGS FROM OPERATIONS</b>	<b>77</b>	<b>20</b>
<b>A</b> (Losses)/gains on financial instruments	(0)	(8)
Finance costs	(12)	(11)
<b>A</b> Other income (expenses)	(1)	3
Current income tax expense	(28)	(7)
<b>A</b> Deferred taxes recovery (expense)	0	9
<b>A</b> Net (loss)/gain from discontinued operations	(23)	10
<b>TOTAL NET AND COMPREHENSIVE EARNINGS (LOSS)</b>	<b>12</b>	<b>15</b>
Add-back adjustments	41	(1)
<b>ADJ. NET EARNINGS/(LOSS) FROM CONT. OPERATIONS</b>	<b>53</b>	<b>14</b>
Portion attributable to shareholders	34	2
<b>ADJUSTED NET EARNINGS PER SHARE FROM CONT. OPERATIONS</b>	<b>0.31</b>	<b>0.02</b>

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# HOUNDÉ MINE, BURKINA FASO

Strong contribution to group performance

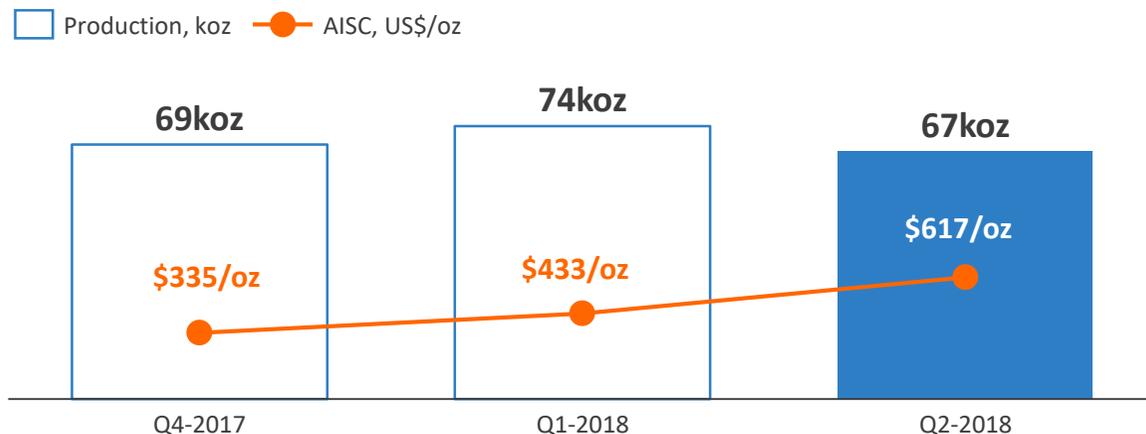
## Q2-18 vs Q1-18 INSIGHTS:

- › Production decreased mainly due to an expected decrease in the average head grade fed to the plant. However, the operation continued to perform ahead of expectations as plant throughput increased from 20% to 30% above nameplate capacity.
- › AISC increased mainly due to the lower processed grades, as well as higher unit costs and increased sustaining capital spend.
- › Non-sustaining capital increased by \$1.1 million to \$2.7 million due to pre-stripping activities in the Vindaloo pit.

## OUTLOOK:

- › Houndé is well on track to meet full-year 2018 guidance of 250–260koz at an AISC of \$580-630/oz.
- › Production is expected to slightly decline and AISC to increase to the guided range due to the rainy season, lower expected grades, and an increase in the strip ratio.
- › Relocation activities at the higher grade Bouere deposit are progressing well. To minimize Houndé's non-sustaining capital spend while building the Ity CIL project, pre-stripping is expected to occur in early 2019.

## Production and AISC



## Key Performance Indicators

For The Quarter Ended	Q2-2018	Q1-2018	Q2-2017
Tonnes ore mined, kt	1,312	1,361	n.a.
Strip ratio (incl. waste cap)	6.13	6.57	n.a.
Tonnes milled, kt	982	898	n.a.
Grade, g/t	2.20	2.59	n.a.
Recovery rate, %	95%	95%	n.a.
<b>PRODUCTION, KOZ</b>	<b>67</b>	<b>74</b>	<b>n.a.</b>
Cash cost/oz	484	340	n.a.
<b>AISC/OZ</b>	<b>617</b>	<b>433</b>	<b>n.a.</b>

# AGBAOU MINE, CÔTE D'IVOIRE

Production is expected to increase in the latter portion of the year

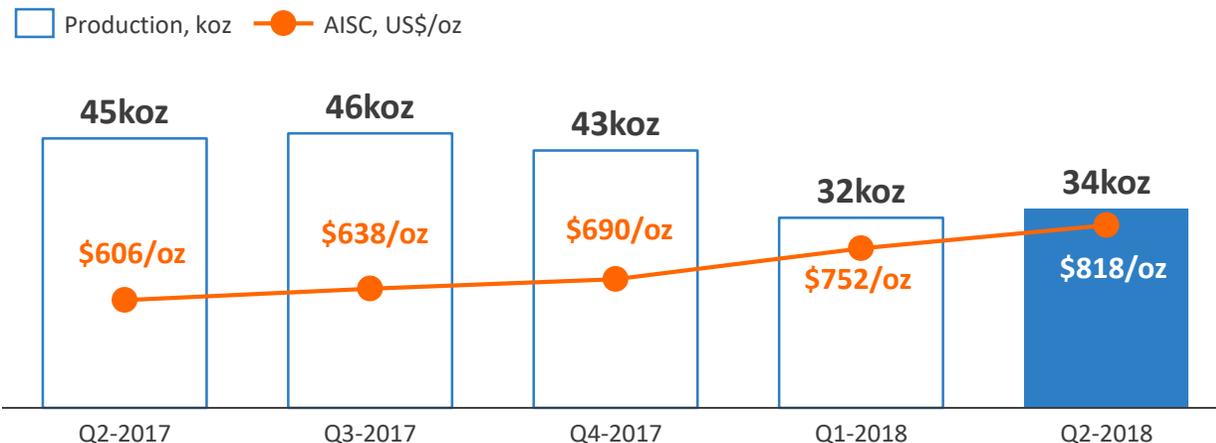
## Q2-18 vs Q1-18 INSIGHTS:

- › Production slightly increased due to the higher grades of material milled as low-grade stockpiles continued to supplement the mine feed to allow waste capitalisation activities to progress.
- › All-in sustaining costs increased mainly due to the aforementioned increase in operating strip ratio which was partially offset by lower mining and processing costs as well as lower sustaining costs.
- › Non-sustaining capital decreased by \$5.1 million to \$2.9 million as lower pre-stripping at West pit 5.

## OUTLOOK:

- › Agbaou is on track to meet full-year 2018 guidance of 140-150koz at an AISC of \$860-\$900/oz.
- › 2018 is expected to be a transition year for Agbaou with a focus on waste capitalisation, expected to give access to high grade areas.
- › Production is expected to increase in the latter portion of the year as waste capitalization activities are expected to provide access to higher grade areas, while costs are expected to continue trending towards the guided range as the hard ore blend and strip ratio increases.

## Production and AISC



## Key Performance Indicators

For The Quarter Ended	Q2-2018	Q1-2018	Q2-2017
Tonnes ore mined, kt	611	682	709
Strip ratio (incl. waste cap)	11.77	10.66	8.81
Tonnes milled, kt	727	726	693
Grade, g/t	1.60	1.43	2.23
Recovery rate, %	92%	93%	94%
<b>PRODUCTION, KOZ</b>	<b>34</b>	<b>32</b>	<b>45</b>
Cash cost/oz	720	629	528
<b>AISC/OZ</b>	<b>818</b>	<b>752</b>	<b>606</b>

# ITY HEAP LEACH MINE, CÔTE D'IVOIRE

Production increased due to higher Bakatouo grades stacked

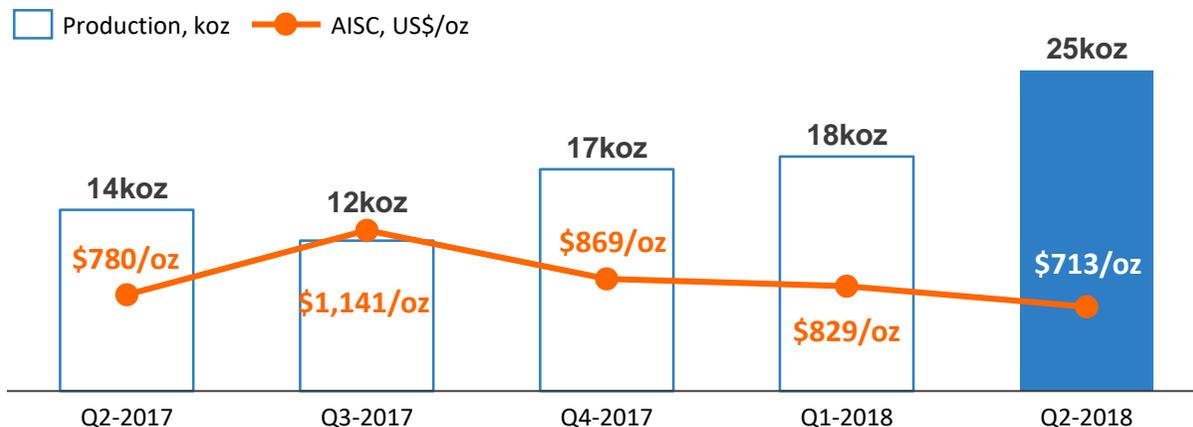
## Q2-18 vs Q1-18 INSIGHTS:

- › Production increased significantly due to higher grades stacked as mining activities at Bakatouo has produced higher grades as well as an increased recovery rate.
- › AISC decreased mainly due to an increase in ounces sold and lower sustaining capital costs, which were partially offset by increased unit mining and stacking costs.
- › There was no non-sustaining capital spend in the quarter.

## OUTLOOK:

- › Ity is on track to meet full-year 2018 guidance of 60-65koz at an AISC of \$790-\$850/oz.
- › As guided, 2018 is expected to be a transitional year for the heap leach operation with greater priority given to the CIL construction activities. Open pit mining activities for the heap leach operation are expected to continue until the end of Q3-2018. The aim is to create a stockpile sufficient to feed stacking requirements for the latter portion of the year. Short mining campaigns may then be opportunistically conducted based on equipment availability and progression of the Ity CIL mining activities.

## Production and AISC



## Key Performance Indicators

For The Quarter Ended	Q2-2018	Q1-2018	Q2-2017
Tonnes ore mined, kt	304	370	374
Strip ratio (incl. waste cap)	2.61	3.25	4.32
Tonnes stacked, kt	308	357	243
Grade, g/t	2.81	2.17	2.15
Recovery rate, %	88%	73%	84%
<b>PRODUCTION, KOZ</b>	<b>25</b>	<b>18</b>	<b>14</b>
Cash cost/oz	639	728	625
<b>AISC/OZ</b>	<b>713</b>	<b>829</b>	<b>780</b>



# KARMA MINE, BURKINA FASO

Stronger H2-2018 expected following end of GG2 transitional ore in Q2

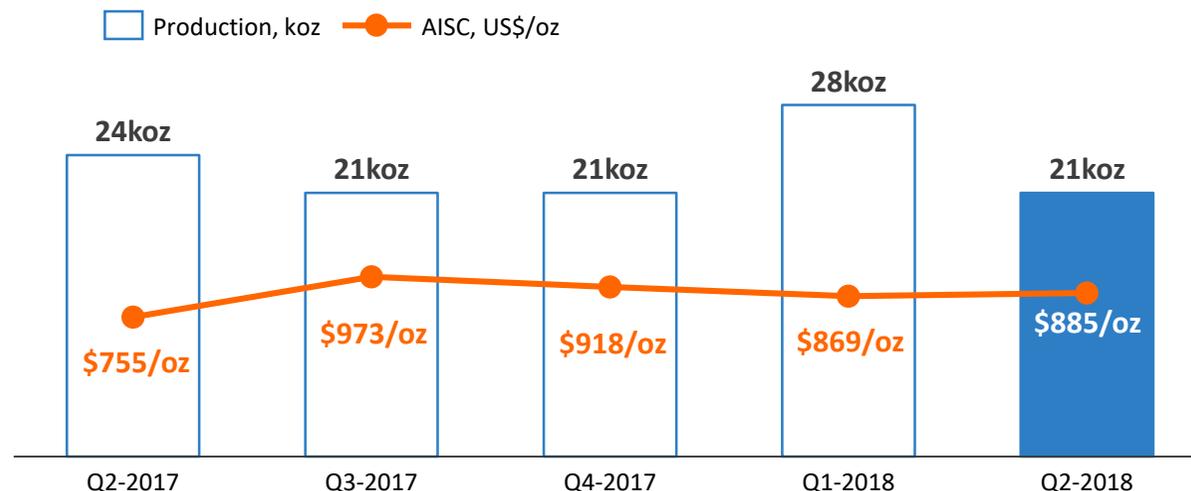
## Q2-18 vs Q1-18 INSIGHTS:

- › Production decreased due to lower stacked tonnage despite an increase in grades and recovery rate.
- › AISC increased mainly due to higher processing unit costs associated with lower tonnes stacked.
- › Non-sustaining capital spend increased by \$2.3 million to \$5.5 million mainly due to pre-stripping at the Kao deposit.

## OUTLOOK:

- › Karma is on track to meet full-year 2018 guidance of 105-115koz at an AISC of \$780-830/oz as the second half of the year is expected to benefit from oxide ore from the Kao deposit. This is expected to have higher grades, higher recovery rates and lower unit costs.

## Production and AISC



## Key Performance Indicators

For The Quarter Ended	Q2-2018	Q1-2018	Q2-2017
Tonnes ore mined, kt	1,636	1,536	1,035
Strip ratio (incl. waste cap)	2.02	1.48	2.49
Tonnes stacked, kt	838	1,241	852
Grade, g/t	0.93	0.88	1.24
Recovery rate, %	78%	74%	83%
<b>PRODUCTION, KOZ</b>	<b>21</b>	<b>28</b>	<b>24</b>
Cash cost/oz	782	757	657
<b>AISC/OZ</b>	<b>885</b>	<b>869</b>	<b>755</b>



# TABAKOTO MINE, MALI

H2 expected to benefit from increased underground equipment availability

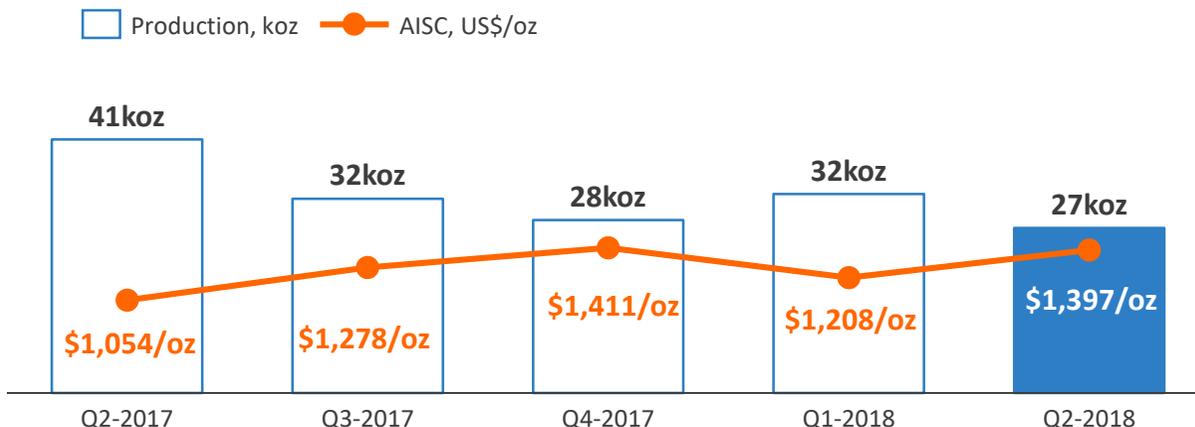
## Q2-18 VS Q1-18 INSIGHTS:

- › Production decreased mainly due to lower average head grades and slightly lower throughput and recovery rates.
- › AISC increased due to increased sustaining capital and higher mining unit costs which were partially offset by lower processing and underground mining costs.
- › There was no non-sustaining capital spending in the quarter.

## OUTLOOK:

- › Tabakoto is on track to meet its full-year 2018 guidance of 115–130koz. The AISC however is expected to be above the guided \$1,200–\$1,250/oz due to increased sustaining capital development work planned.
- › H2-2018 is expected to benefit from increased underground equipment availability following the arrival of new equipment.

## Production and AISC



## Key Performance Indicators

For The Quarter Ended	Q2-2018	Q1-2018	Q2-2017
OP Tonnes ore mined, kt	109	209	157
OP Strip ratio (incl. waste cap)	10.89	7.80	8.87
UG tonnes ore mined, kt	143	151	184
Tonnes milled, kt	423	441	407
Grade, g/t	2.11	2.51	3.32
Recovery rate, %	92%	93%	94%
<b>PRODUCTION, KOZ</b>	<b>27</b>	<b>32</b>	<b>41</b>
Cash cost/oz	1,054	930	802
<b>AISC/OZ</b>	<b>1,397</b>	<b>1,208</b>	<b>1,054</b>

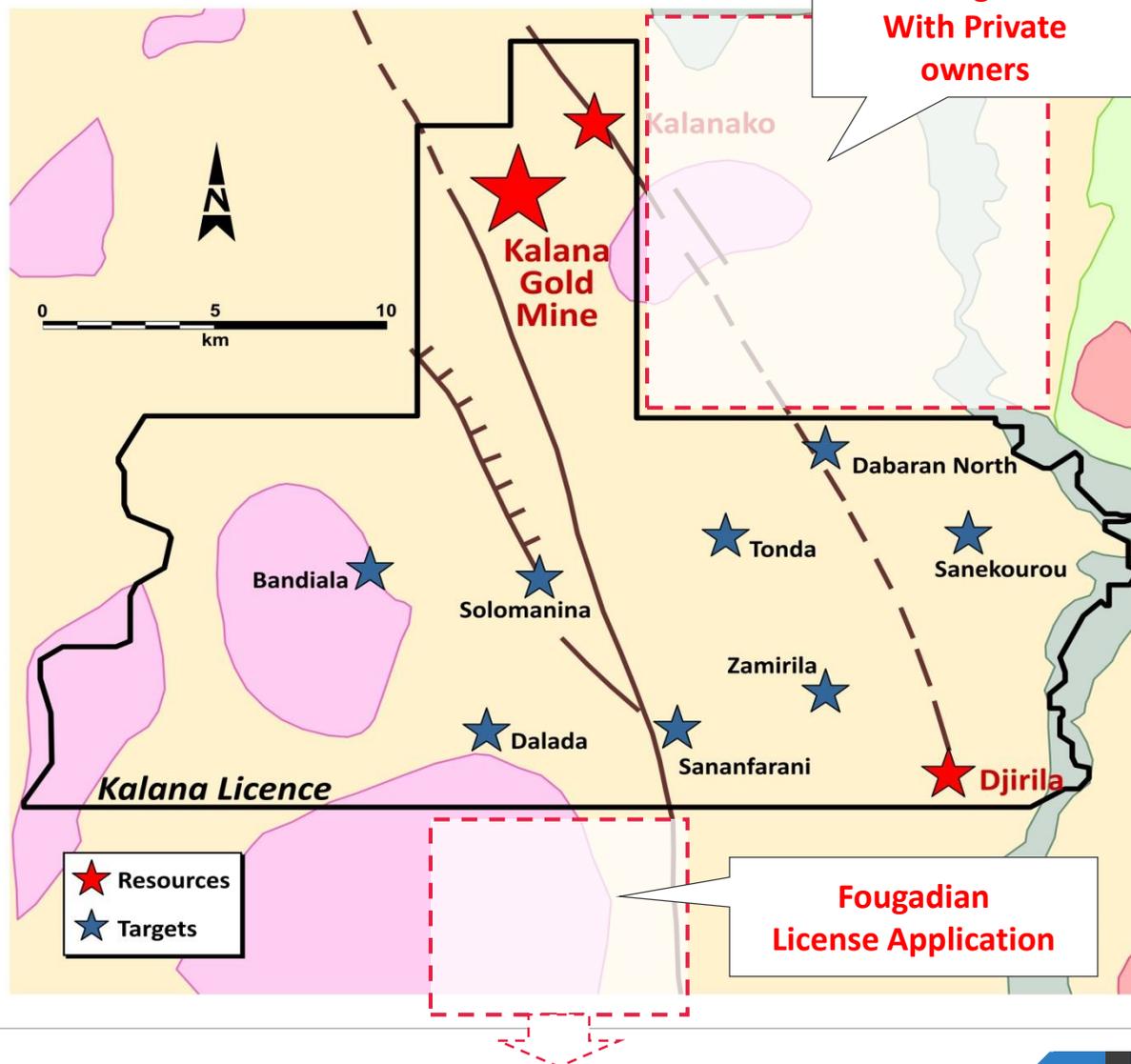


# KALANA PROJECT, MALI

## Updated resource expected in Q3-2018

### INSIGHTS

- > An intensive exploration program, consisting of 48,000 meters of drilling, was finalized in early Q2-2018 on the Kalana and Kalanako deposits.
- > At the Kalana deposit:
  - Drilling confirmed the overall geological model and in-fill drilling is expected to convert a portion of the previously classified inferred resources in the North Eastern part of the deposit.
  - The remaining results from the last leachwell gold assays are expected to be received in the coming weeks following bottlenecks encountered in the labs.
  - Endeavour is rebuilding the geological model based on both the drilling done by the previous owners and that which was completed this quarter, while using a more conservative top-cut assumption and an ordinary kriging geostatistical approach. In total, more than 2,200 holes and more than 221,000 assays (including over 103,000 leachwell assays) will be used to build the geological model which will form the basis of the updated feasibility study.
- > At the Kalanako deposit, drilling has confirmed the continuation of the mineralization and is expected to convert a portion of the previously classified inferred resources.
- > In parallel with completion of the resource model, initial work has commenced for the updated feasibility study which is expected to be published in Q1-2019.



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Q2-2018  
IN REVIEW

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FINANCIAL SUMMARY

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DETAILS BY MINE  
AND PROJECT

4

**CONCLUSION**

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APPENDIX

# UPCOMING CATALYSTS



## ON TRACK TO MEET GUIDANCE

- › Guidance with Tabakoto: 670-720koz at \$840-890/oz
- › Guidance without Tabakoto: 555-590koz at \$760-810/oz



- › **ITY CIL PROJECT:** Construction tracking on-budget and on schedule for first gold pour by mid-2019
- › **KALANA PROJECT:** Updated Feasibility study expected by early-2019



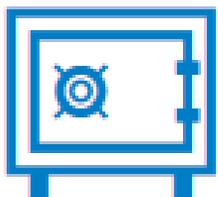
- › **DELIVERY OF 5-YEAR EXPLORATION STRATEGY:** Target of finding 10-15Moz of Indicated Resources
- › **HOUNDÉ:** Maiden resource at Kari Pump expected in Q4-2018
- › **KALANA:** Updated resource expected Q3-2018
- › **ITY'S LE PLAQUE TARGET:** Further exploration results with updated resource in H1-2019
- › **GREENFIELD:** Exploration results on new properties expected to be published in Q4-2018

# PRODUCTION AND AISC PROFILE

On track to achieving strategic objectives

## STRATEGIC OBJECTIVES

For 2019



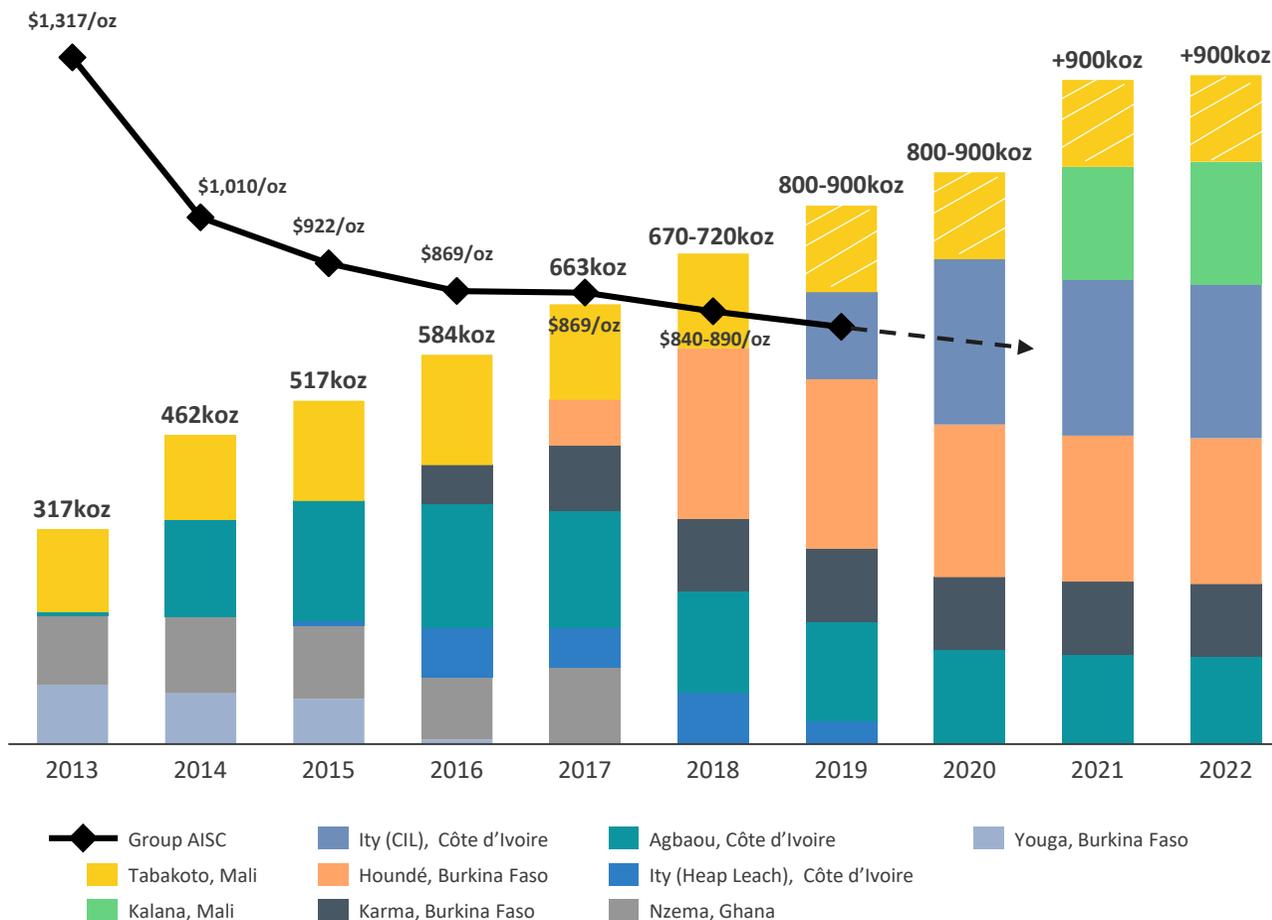
**10+** year  
Mine life



**≤800\$/oz**  
All-in Sustaining Cost



**+800koz**  
Annual production



1

Q2-2018  
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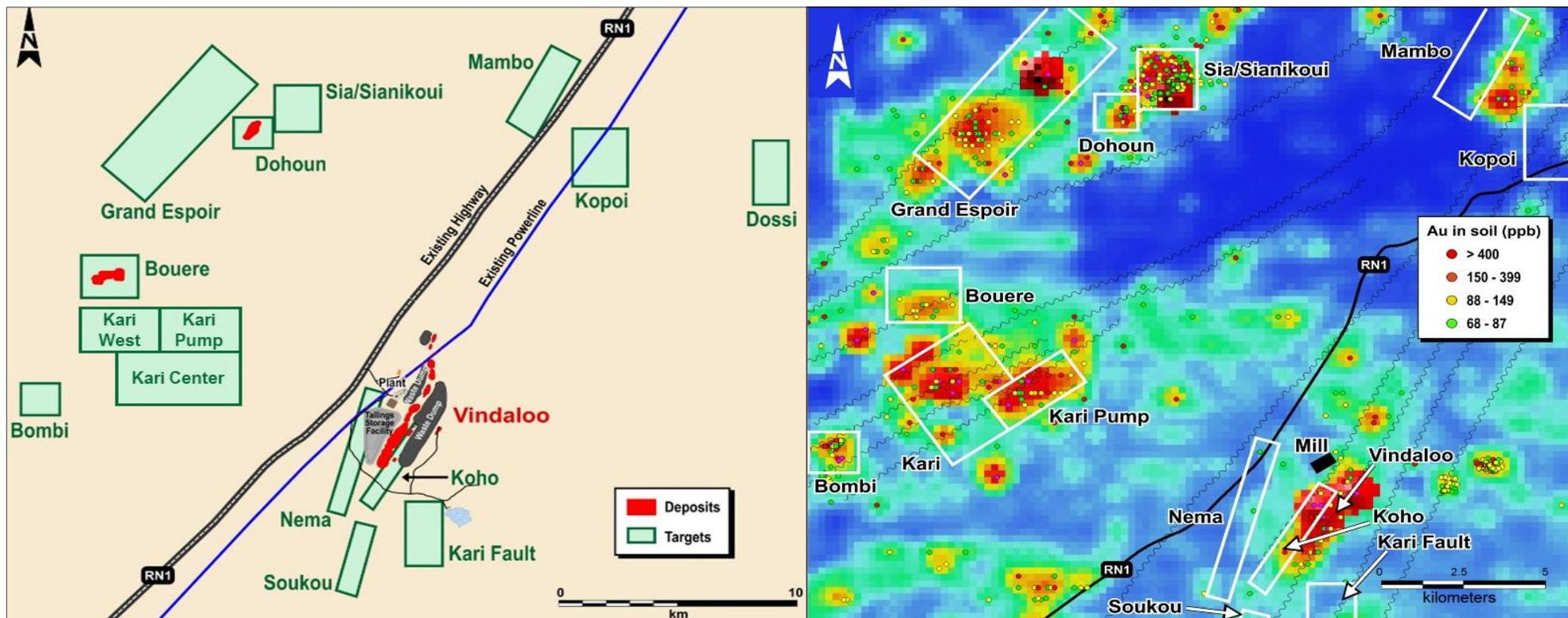
**APPENDIX**



# HOUNDÉ MINE, BURKINA FASO

Strong exploration focus in 2018 on high-grade targets

## Houndé exploration targets and gold-in-soil anomalies map



### INSIGHTS

- › Houndé is the strongest exploration focus for Endeavour in 2018 with more than 121,000 meters already drilled in H1-2018, mainly focused on the Kari anomaly.
- › As announced in May, the Kari mineralized zone has been significantly extended to a large area now measuring 4km long and 3km wide with three discoveries made and approximately 20% of the gold-in-soil anomaly remaining to be drilled.
- › A further 60,000-meter drilling campaign is underway to delineate the two latest discoveries, with in-fill drilling ongoing on the Kari Pump target where a maiden resource is expected by year-end.

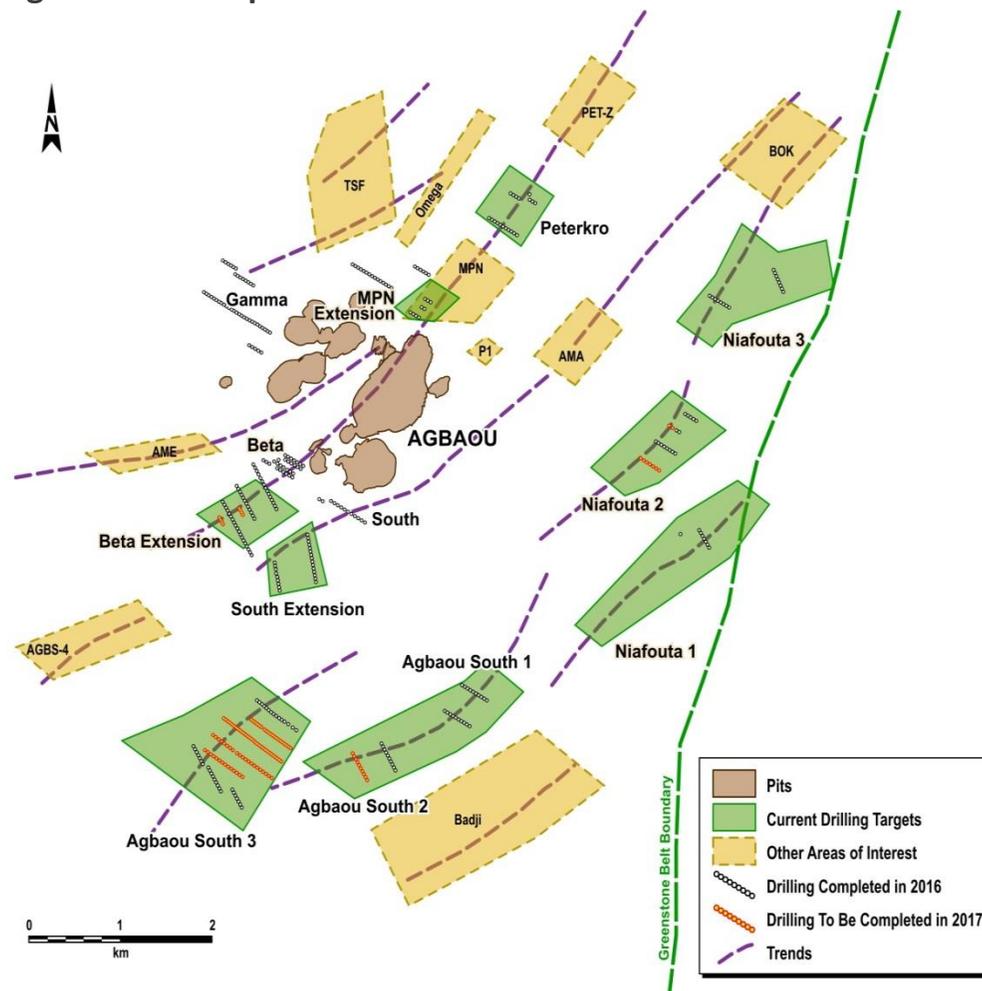
# AGBAOU MINE, CÔTE D'IVOIRE

Mineralization was confirmed at the extensions of several deposits

## INSIGHTS

- > In H1-2018 more than 26,000 meters were drilled with the majority occurring in Q2.
- > A total of more than 20,000 meters, representing most of the drilling, was focused on open pit targets located along extensions of known deposits and on parallel trends. Mineralization was confirmed at the extensions of several deposits including the MPN, North Pit Satellite 3, West Pit 5 and Beta, with 5,000 meters of follow-up drilling planned in H2-2018.
- > The at-depth potential of the North pit was tested and mineralization was confirmed. However, as a potential resource in this area may not be suitable for open pit operations, the focus was directed to the abovementioned open pit targets.

Agbaou Site Map



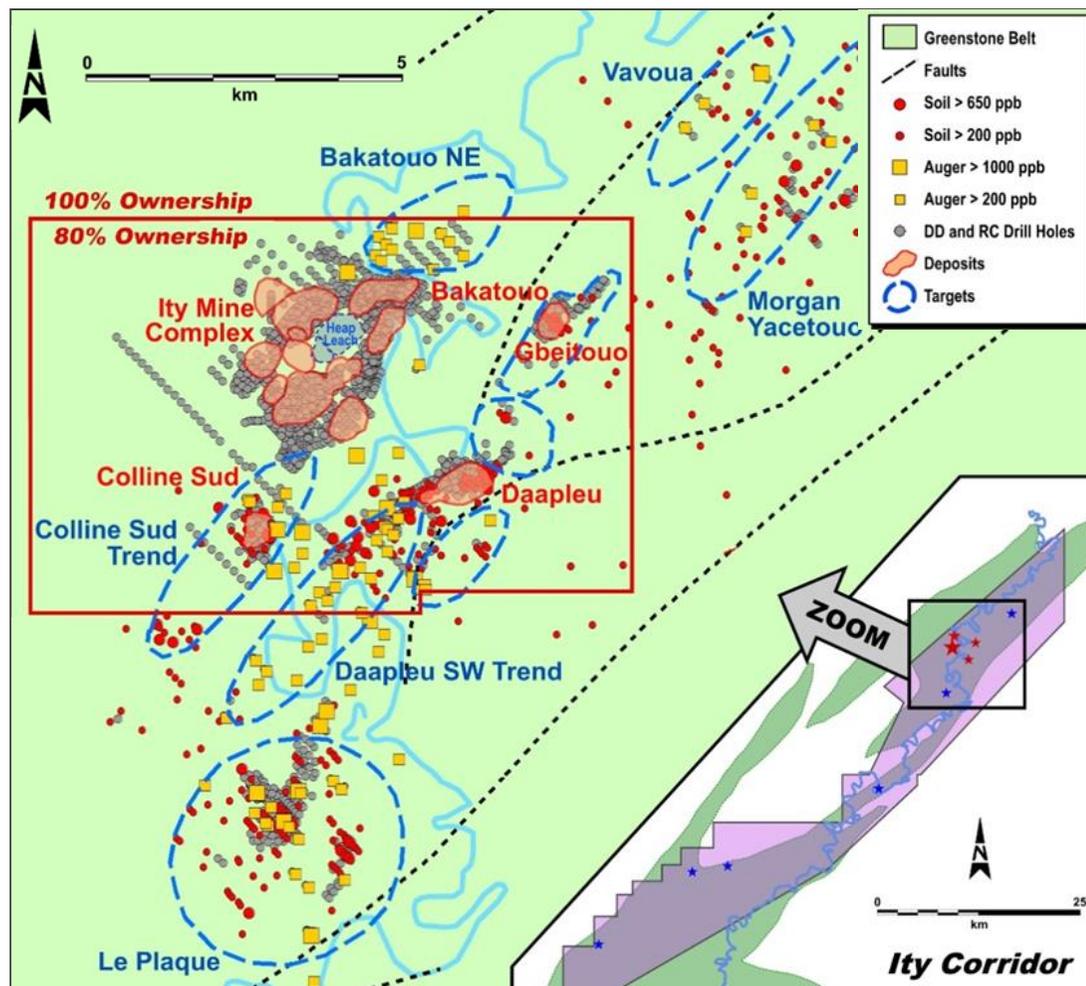
# ITY MINE, CÔTE D'IVOIRE

Main focus is on the La Plaque discovery

## INSIGHTS

- > A \$3 million exploration campaign has been planned in 2018 to further explore near-mill targets (including testing of extensions at the Mont Ity, Bakatouo, Daapleu, and Le Plaque deposits) with the aim of delineating additional resources for the CIL project.
- > In H1-2018, more than 35,000 meters have been drilled, mainly focused on:
  - The Le Plaque target where additional resources are expected to be delineated by mid H1 2019.
  - The Daapleu deposit where mineralization was confirmed at-depth.
  - In addition, a deep hole was drilled below the heap leach pad which confirmed the occurrence of mineralization 200 meters southwest of the Bakatouo deposit.
  - In H2-2018 the main focus is expected to be the Le Plaque target, with over 10,000 meters of drilling planned.

Ity Mine Drilling Targets





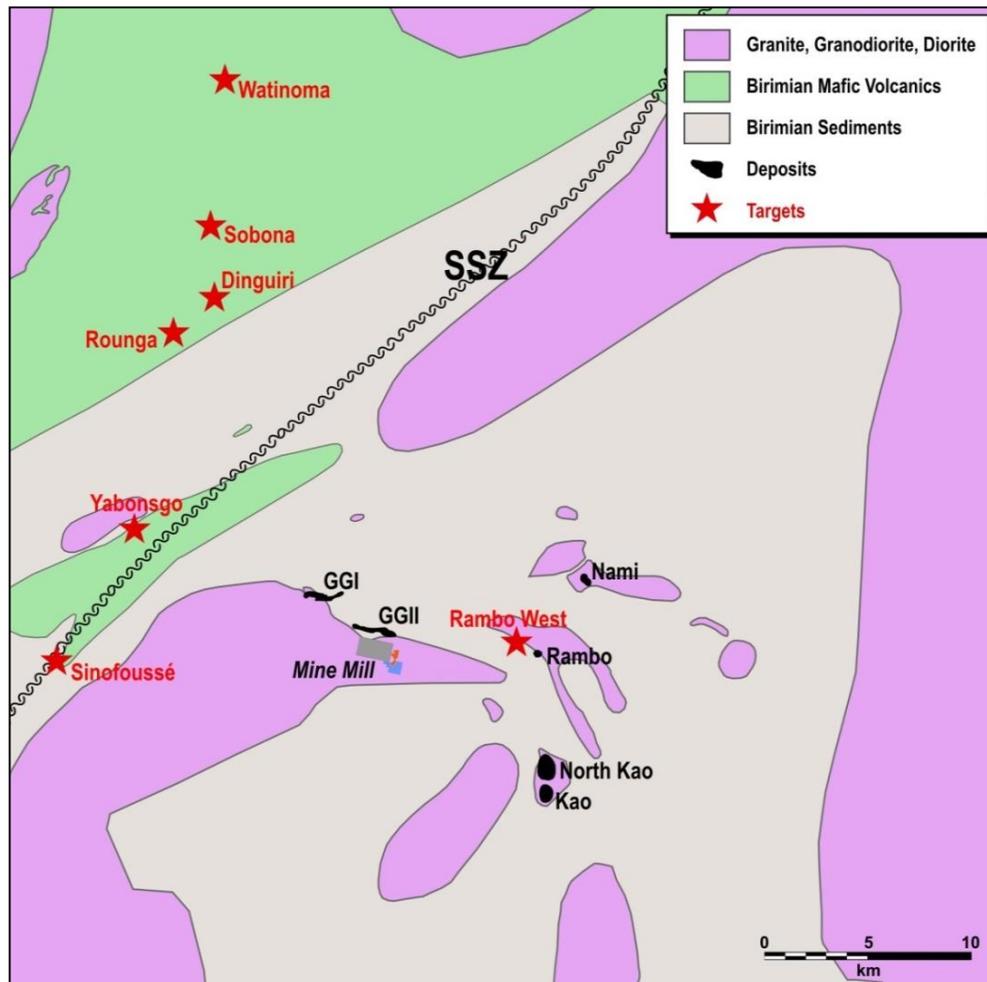
# KARMA MINE, BURKINA FASO

Rambo West indicated resources expected to be delineated by year-end

## INSIGHTS

- › In H1-2018, more than 23,000 meters were drilled, mainly focused on the Eastern extension of the North Kao deposit, on Yabonso and on Rambo West where indicated resources are expected to be delineated by year-end. In addition, auger drilling and soil geochemical sampling was conducted on earlier stage targets such as Rounga and Zanna.
- › A further 5,000 meters of drilling are expected to be completed in H2-2018.

Karma Site Map





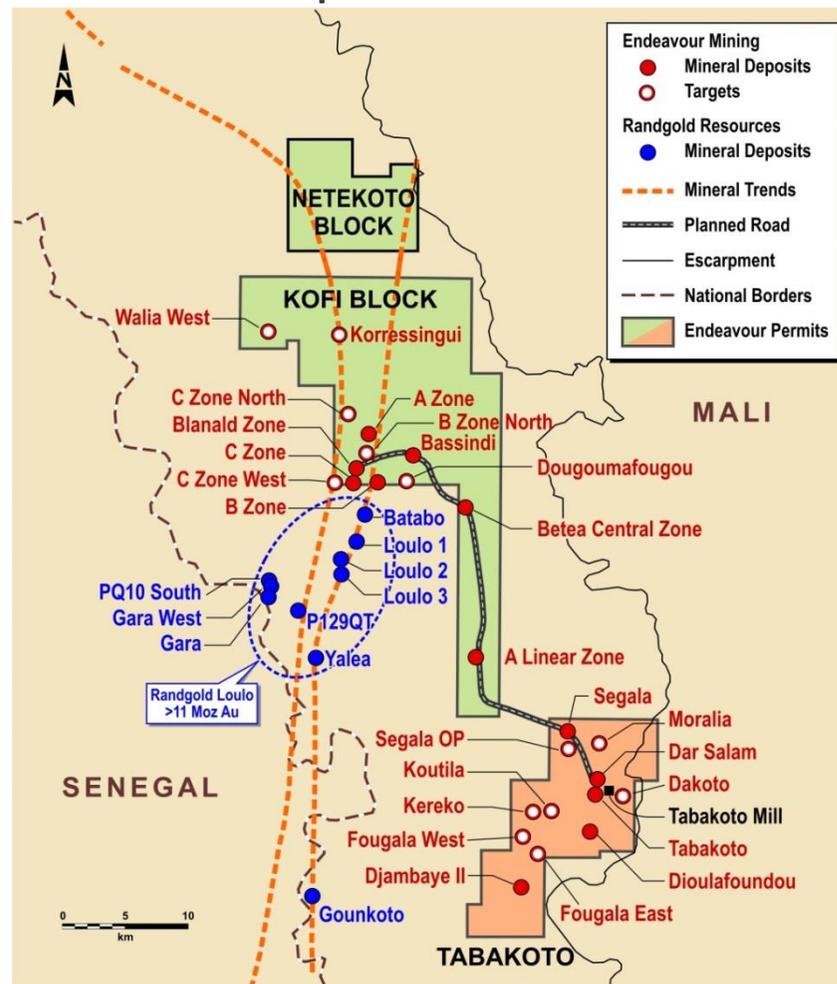
# TABAKOTO MINE, MALI

Exploration mainly focused on underground exploration

## INSIGHTS

- > During H1-2018 nearly 5,000 meters were drilled on open pit targets while more than 13,000 meters were drilled in the underground mines.
- > For H2-2018, a further 12,000 meters are expected to be drilled on both open-pit targets and in the underground mines.

Tabakoto Site Map



# PRODUCTION AND COST DETAILS BY MINE BY QUARTER

		AGBAOU			TABAKOTO			ITY			KARMA			HOUNDÉ		
		Q2-2018	Q1-2018	Q4-2017	Q2-2018	Q1-2018	Q4-2017									
<i>(on a 100% basis)</i>																
<b>Physicals</b>																
Total tonnes mined – OP <sup>1</sup>	000t	7,801	7,952	6,952	1,296	1,840	1,550	1,096	1,571	1,988	4,934	3,816	3,616	9,361	10,309	-
Total ore tonnes – OP	000t	611	682	709	109	209	157	304	370	374	1,636	1,536	1,035	1,312	1,361	-
Open pit strip ratio <sup>1</sup>	W:t ore	11.77	10.66	8.81	10.89	7.80	8.87	2.61	3.25	4.32	2.02	1.48	2.49	6.13	6.57	-
Total tonnes mined – UG	000t	-	-	-	332	353	437	-	-	-	-	-	-	-	-	-
Total ore tonnes – UG	000t	-	-	-	143	151	184	-	-	-	-	-	-	-	-	-
Total tonnes milled	000t	727	726	693	423	441	407	308	357	243	838	1,241	852	982	898	-
Average gold grade milled	g/t	1.60	1.43	2.23	2.11	2.51	3.32	2.81	2.17	2.15	0.93	0.88	1.24	2.20	2.59	-
Recovery rate	%	92%	93%	94%	92%	93%	94%	88%	73%	84%	78%	74%	83%	95%	95%	-
Gold ounces produced	oz	33,653	32,074	45,489	26,819	32,367	41,248	25,000	18,265	14,120	21,024	28,186	24,223	66,873	73,781	-
<b>Gold sold</b>	<b>oz</b>	<b>34,471</b>	<b>33,559</b>	<b>46,722</b>	<b>28,595</b>	<b>31,363</b>	<b>41,390</b>	<b>26,270</b>	<b>17,530</b>	<b>13,226</b>	<b>21,625</b>	<b>28,499</b>	<b>24,632</b>	<b>68,366</b>	<b>74,200</b>	-
<b>Unit Cost Analysis</b>																
Mining costs - Open pit	\$/t mined	2.65	2.88	2.40	3.45	2.65	3.72	7.72	4.98	2.86	2.08	2.51	1.96	2.00	1.58	-
Mining costs – Underground	\$/t mined	-	-	-	68.32	71.38	61.18	-	-	-	-	-	-	-	-	-
Processing and maintenance	\$/t milled	7.54	7.80	7.67	17.76	18.41	19.00	16.81	14.67	16.03	10.50	7.84	9.30	11.41	10.91	-
Site G&A	\$/t milled	4.14	4.49	3.88	10.87	9.36	9.39	11.64	7.97	9.94	4.02	3.00	4.26	7.40	7.00	-
<b>Cash Cost Details</b>																
Mining costs - Open pit <sup>1</sup>	\$000s	20,698	22,873	16,653	4,465	4,873	5,772	8,462	7,830	5,685	10,267	9,563	7,089	18,717	16,303	-
Mining costs -Underground	\$000s	-	-	-	12,912	14,419	15,479	0	0	0	-	-	-	-	-	-
Processing and maintenance	\$000s	5,482	5,660	5,316	7,513	8,120	7,734	5,179	5,236	3,895	8,794	9,726	7,922	11,207	9,794	-
Site G&A	\$000s	3,013	3,263	2,689	4,599	4,129	3,820	3,584	2,844	2,415	3,372	3,728	3,626	7,264	6,284	-
Capitalized waste	\$000s	(3,772)	(7,950)	(525)	(3,268)	(3,573)	(8,612)	0	0	(1,693)	(1,431)	(2,358)	(230)	(5,919)	(1,655)	-
Inventory adjustments and other	\$000s	(595)	(2,751)	558	3,925	1,194	8,993	(436)	(3,143)	(2,034)	(4,090)	918	(2,220)	1,819	(5,526)	-
Cash costs for ounces sold	\$000s	24,826	21,095	24,691	30,146	29,162	33,186	16,789	12,767	8,268	16,912	21,577	16,187	33,088	25,201	-
Royalties	\$000s	1,638	1,834	2,107	2,237	2,474	3,138	1,165	919	643	1,703	2,511	1,916	5,748	6,919	-
Sustaining capital	\$000s	1,749	2,303	1,526	7,563	6,244	7,313	786	838	1,400	516	664	487	3,320	0	-
Cash cost per ounce sold	\$/oz	720	629	528	1,054	930	802	639	728	625	782	757	657	484	340	-
<b>Mine-level AISC Per Ounce Sold</b>	<b>\$/oz</b>	<b>818</b>	<b>752</b>	<b>606</b>	<b>1,397</b>	<b>1,208</b>	<b>1,054</b>	<b>713</b>	<b>829</b>	<b>780</b>	<b>885</b>	<b>869</b>	<b>755</b>	<b>617</b>	<b>433</b>	-

1) Includes waste capitalized

# PRODUCTION AND COST DETAILS BY MINE ON HALF YEAR BASIS

		AGBAOU		TABAKOTO		ITY		KARMA		HOUNDÉ	
		H1-2018	H1-2017	H1-2018	H1-2017	H1-2018	H1-2017	H1-2018	H1-2017	H1-2018	H1-2017
<i>(on a 100% basis)</i>											
<b>Physicals</b>											
Total tonnes mined – OP <sup>1</sup>	000t	15,753	13,308	3,136	3,438	2,667	3,777	8,750	7,959	19,670	-
Total ore tonnes – OP	000t	1,293	1,333	318	374	674	703	3,172	2,085	2,673	-
Open pit strip ratio <sup>1</sup>	W:t ore	11.18	8.98	8.86	8.19	2.96	4.37	1.76	2.82	6.36	-
Total tonnes mined – UG	000t	-	-	391	564	-	-	-	-	-	-
Total ore tonnes – UG	000t	-	-	294	420	-	-	-	-	-	-
Total tonnes milled	000t	1,453	1,376	864	812	665	510	2,079	1,806	1,880	-
Average gold grade milled	g/t	1.52	2.16	2.32	3.41	2.46	2.02	0.90	1.15	2.39	-
Recovery rate	%	93%	94%	92%	94%	82%	91%	76%	85%	95%	-
Gold ounces produced	oz	65,727	87,426	59,186	84,276	43,265	30,012	49,210	55,875	140,654	-
<b>Gold sold</b>	<b>oz</b>	<b>68,030</b>	<b>86,703</b>	<b>59,958</b>	<b>85,202</b>	<b>43,800</b>	<b>31,573</b>	<b>50,124</b>	<b>55,739</b>	<b>142,566</b>	-
<b>Unit Cost Analysis</b>											
Mining costs - Open pit	\$/t mined	2.77	2.42	2.98	3.57	6.11	2.56	2.27	1.89	1.78	-
Mining costs – Underground	\$/t mined	-	-	69.90	59.24	-	-	-	-	-	-
Processing and maintenance	\$/t milled	7.67	7.25	18.09	20.77	15.66	15.72	8.91	8.14	11.17	-
Site G&A	\$/t milled	4.32	4.19	10.10	10.34	9.67	9.85	3.42	4.16	7.21	-
<b>Cash Cost Details</b>											
Mining costs - Open pit <sup>1</sup>	\$000s	43,571	32,234	9,338	12,281	16,292	9,673	19,830	15,013	35,020	-
Mining costs -Underground	\$000s	-	-	27,331	33,412	-	-	-	-	-	-
Processing and maintenance	\$000s	11,142	9,975	15,633	16,865	10,415	8,018	18,520	14,699	21,001	-
Site G&A	\$000s	6,276	5,763	8,728	8,397	6,428	5,025	7,100	7,510	13,548	-
Capitalized waste	\$000s	(11,722)	(868)	(6,841)	(10,068)	0	(1,835)	(3,789)	(479)	(7,574)	-
Inventory adjustments and other	\$000s	(3,346)	(464)	5,119	6,059	(3,579)	1,140	(3,175)	1	(3,707)	-
Cash costs for ounces sold	\$000s	45,921	46,640	59,307	66,946	29,556	22,021	38,486	36,744	58,288	-
Royalties	\$000s	3,472	3,814	4,711	6,303	2,084	1,413	4,214	4,165	12,667	-
Sustaining capital	\$000s	4,052	4,261	13,807	13,095	1,624	3,011	1,180	964	3,320	-
Cash cost per ounce sold	\$/oz	675	538	989	786	675	697	768	659	409	-
<b>Mine-level AISC Per Ounce Sold</b>	<b>\$/oz</b>	<b>786</b>	<b>631</b>	<b>1,298</b>	<b>1,013</b>	<b>759</b>	<b>838</b>	<b>875</b>	<b>751</b>	<b>521</b>	-

1) Includes waste capitalized