

FINANCIAL STATEMENTS

BALANCE SHEET

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

Please consult Financial Statements for notes and more information.

PROFIT AND LOSS STATEMENT

TWELVE MONTHS ENDED
DECEMBER 31,

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

Please consult Financial Statements for notes and more information.

CASH FLOW STATEMENT

TWELVE MONTHS ENDED
DECEMBER 31,

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

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