

Endeavour Reports First Quarter 2016 Results;  
AISC Continue to Decrease Below \$900/oz

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First Quarter 2016 Highlights

- Gold production of 132koz, on-track to meet full-year guidance with higher production expected in the upcoming quarters
- All-in Sustaining Cost further decreased to \$900/oz (\$889/oz excluding Youga which was divested end of February), in line with full-year guidance of \$870 to \$920/oz
- All-in sustaining margin up 54% over the previous quarter to \$37m, lifted by lower AISC/oz and higher gold prices
- Free Cash Flow (before tax, WC & financing costs) of \$28m, slightly above guidance
- Net debt reduced to \$136m at quarter-end from \$259m as of March 31, 2015; and further reduced to \$71m following the La Mancha \$65m anti-dilution cash injection under the True Gold acquisition

George Town, May 2, 2016 - Endeavour Mining (TSX:EDV) (OTCQX:EDVMF) is pleased to announce its financial and operating results for the quarter ended March 31, 2016, with highlights provided in the table below.

Table 1: Key Operational and Financial Highlights

All amounts in US\$	Q1-2016	Q4-2015	Q1-2015
Gold Production, oz	131,567	136,844	123,744
Realized Gold Price, \$/oz	1,192	1,102	1,219
AISC, \$/oz	900	934	946
All-in Sustaining Margin, \$/oz	292	168	273
All-in Sustaining Margin, \$m	37	24	34
Free Cash Flow, \$m (before WC, tax & financing costs)	28	12	25
Net Debt At Period End, \$m	136	144	259

Neil Woodyer, CEO of Endeavour, stated: "Our first quarter results have met our expectations and we are on track to achieve our objectives for 2016. The Agbaou and Ity mines are delivering excellent performance and the underground Tabakoto mines should gain momentum in the coming quarters.

Our group AISC has continued to decrease, achieving \$889/oz from our current operations, which provides a solid cash generation foundation. We have also strengthened our financial position with the cash received from La Mancha following the close of the True Gold transaction.

The second quarter will be important for Endeavour with the integration of True Gold's Karma Mine and its ramp-up to commercial production, and the start of construction at our Houndé project which will ultimately become our flagship low-cost mine.

Updated guidance for 2016, which will include these recent developments, will be provided with the release of our second quarter results at the end of July."

Gold production and AISC on-track to meet full-year guidance

- Endeavour produced a total of 131,567 ounces of gold in the first quarter of 2016 and is on-track to meet its full-year guidance as production is expected to increase in the upcoming quarters with stronger performance expected from the Tabakoto and Nzema mines.
- In line with guidance, All-in Sustaining Costs ("AISC") decreased to \$900/oz, down from \$946/oz during the corresponding quarter of 2015, notably due to the addition of the low-cost Ity mine, and cost reductions at Agbaou and Tabakoto.
- Endeavour's AISC for its continuing operations, which excludes the divested Youga mine, averaged \$889/oz during the first quarter of 2016.

Table 2: Gold Production by mine, oz

(on a 100% basis)	Q1-2016	Q4-2015	Q1-2015	Full Year 2016 Guidance
Agbaou	42,765	51,732	45,323	165,000 - 175,000
Tabakoto	38,542	41,546	33,574	155,000 - 175,000

Nzema	19,757	23,076	26,979	110,000	-	130,000
Ity	22,324	5,689	-	65,000	-	75,000
Youga	8,179	14,801	17,868	7,000	-	8,000
Group-wide	131,567	136,844	123,744	535,000	-	560,000

Table 3: Group All-In Sustaining costs, US\$/oz

	Q1-2016	Q4-2015	Q1-2015	Full Year 2016	Guidance
Agbaou	525	537	577	650	- 700
Tabakoto	1,071	1,119	1,127	920	- 970
Nzema	1,158	1,133	1,194	970	- 1,020
Ity	710	683	-	800	- 850
Youga	1,101	985	851	980	- 1,030
Mine-level AISC/oz	851	862	901	820	- 870
Corporate G&A	38	56	32		38
Sustaining exploration	12	15	13		11
Group AISC/oz	900	934	946	870	- 920
Group AISC/oz (ExclYouga)	889	926	973		

Notes: Ity's production and AISC is included for the post-acquisition period beginning November 28, 2015. Youga's production and AISC is included for the pre-sale period ended February 29, 2016. Guidance for 2016 does not include production and costs associated to the Karma mine.

#### Agbaou Mine

- Agbaou continued its strong performance in Q1-2016, returning to a normal production level after its record production in Q4-2015. Agbaou continues to benefit from mining soft oxide ore leading to robust throughput and recoveries that are expected to continue towards the end of the year.
- The secondary crusher build remains on budget and on time with completion expected in Q3-2016, which will provide increased flexibility once commissioned.
- Agbaou achieved record low AISC in Q1-2016, mainly due to the renegotiation of mining contract rates following an optimization of the mine plan, and decreased processing costs.

#### Tabakoto Mine

- Tabakoto's production remained fairly stable compared to previous quarters despite lower underground grades and volumes achieved as underground extraction was constrained by stope availability.
- Tabakoto's production is expected to improve in the upcoming quarters, lifted by higher grades and volumes as a result of increased stope availability following the underground development completed during the first quarter.

#### Ity Mine

- The Ity mine integration progressed well during the first quarter.
- Ity had a strong first quarter performance, with production slightly above guidance and AISC below guidance due to improved cost controls. Ore sourced during the quarter was amenable to high recovery rates and stacking on the leach pads.

#### Nzema Mine

- Nzema's production and AISC were negatively impacted by lower volumes of purchased ore, as ore suppliers are ramping-up operations following the halt they experienced in late 2015 due to new permitting requirements imposed on them. As a result, lower grade stockpiles were utilized during the quarter to maintain mill throughput.
- Nzema's performance is expected to improve in the upcoming quarters, as purchased ore tonnage is expected to continue to increase and Endeavour's own grades are expected to improve following completion of the pit cutback during Q4-2016.

#### Youga Mine

- On February 29, 2016, Endeavour announced that it had sold its end of life non-core Youga Gold Mine in Burkina Faso for \$20 million.

#### Increased Cash Flow generation

- All-in sustaining margin increased 54% over the previous quarter to \$37 million, lifted by lower AISC/oz and higher gold prices.
- Free Cash Flow (before working capital, tax & financing costs) increased by 133% over the previous quarter to \$28 million.
- Notable non-sustaining capital expenditures during the first quarter of 2016 were Agbaou's secondary crusher build and Nzema's push-back, for \$3.7 million and \$1.7 million, respectively.

- While Endeavour's All-in Sustaining Margin and Free Cash Flow (before working capital, tax & financing costs) improved significantly over the previous quarter, its Q1-2016 free cash flow was impacted by a negative change in working capital, which is expected to return to positive in the upcoming quarters. This working capital movement was mainly due to phasing on accounts payables between Q4-2015 and Q1-2016.
- There were no interest payments made during Q1-2016, as it is payable on a semi-annual basis with the next payments due in June and December.

Table 4: Summarized Cash Flow Statement

In US\$ million	Q1-2016	Q4-2015	Q1-2015
Gold Sales, oz	127,355	142,343	124,850
Realized gold price, \$/oz	1,192	1,102	1,219
Revenue	151	157	152
Cash cost for ounces sold	(90)	(105)	(91)
Royalties	(7)	(8)	(7)
Corporate G&A	(5)	(8)	(4)
Sustaining capital	(11)	(10)	(14)
Sustaining exploration	(1)	(2)	(2)
AISC Margin	37	24	34
Non-sustaining exploration	(2)	(2)	(1)
Non-sustaining capital	(7)	(10)	(8)
Free cash flow (before working capital, tax & financing costs)	28	12	25
Working capital	(20)	26	(10)
Taxes paid	(3)	(1)	(3)
Interest paid	(0)	(7)	(4)
Other items*	(2)	(5)	(13)
Free Cash Flow	3	25	(6)
Cash received from La Mancha acquisition**	-	73	-
Revolving credit facility payments	-	(20)	-
Cash received from Youga	20	-	-
Bridge loan to True Gold	(15)	-	-
Cash movement for the period	8	78	(6)

\*Includes financial fees, lease repayments, hedge settlements, realized loss on derivative financial instruments, unrealized foreign exchange loss on cash, and other non-operating cash adjustments. \*\*Includes \$63m of cash received from La Mancha and minority cash interest in lty operating entity, net of transaction fees

#### Continued Reduction in Net Debt

- Endeavour significantly improved its balance sheet, with net debt reduced to \$136 million as of March 31, 2016 from \$259 million as of March 31, 2015. Following the La Mancha \$65 million anti-dilution cash injection received with the True Gold acquisition close on April 26, 2016, its pro-forma net debt further decreased to \$71 million.
- Endeavour's net debt to operating EBITDA ratio has significantly improved over the corresponding quarter of 2015, decreasing from 1.8 to 0.4 times, on a pro-forma basis.
- Following quarter end, Endeavour made a further \$40 million voluntary repayment under the revolving corporate facility, resulting in a net drawn amount of \$200 million.
- Endeavour has strong financing and liquidity sources which include its \$182 million cash position at the end of March on a pro-forma basis, the anticipated Houndé mine equipment financing, and the undrawn portion of the revolving credit facility, in addition to its strong cash flow generation.

Table 5: Net Debt Reduction, in US\$m

	For the quarter ended,			
	Pro-forma March, 2016*	March, 2016	December, 3015	March, 2015
Cash	117	117	110	56
Plus: La Mancha Anti-dilution equity	65			
Less: Equipment finance lease	13	13	13	16
Less: Drawn portion of \$350 million RCF	240	240	240	300
Less: True Gold's estimated net debt	0			
Net Debt	71	136	144	259
Operating EBITDA (trailing 12m basis)	165	165	163	147
Net Debt to Operating EBITDA ratio	0.4	0.8	0.9	1.8

\*Pro-Forma, following the US\$65 million cash injection received from Naguib Sawiris in April following the True Gold transaction close

#### Adjusted Net Earnings per Share

- Earnings from mine operations for Q1-2016 remained stable at \$27 million compared to \$26 million for Q1-2015.
- Total net earnings attributable to shareholders were \$1 million, or \$0.02 per share, compared to \$9 million, or \$0.22 per share, for the same period in 2015, due to the acquisition costs for Karma as well as increased operating and corporate costs due to the first full quarter of operating the Ity mine.

Table 6: Net Earnings and adjusted earnings

(\$ in millions except per share amounts)	Q1-2016	Q4-2015	Q1-2015
Earnings from mine operations	27	13	26
Net earnings (loss) and total comprehensive earnings (loss)	8	(22)	13
Portion attributable to shareholders	1	(25)	9
Basic earnings (loss) per share, \$/share	0.02	(0.51)	0.22
Adjusted net earnings (loss) attributable to shareholders*	3	(6)	11
Adjusted earnings per share, \$/share	0.05	(0.12)	0.27

Mainly adjusted for transaction fees, FX gain and losses. For more details, see Company MD&A.

#### Other recent key achievements

- On April 11, 2016, Endeavour announced that its 90%-owned Houndé Project in Burkina Faso was fully funded and had entered the construction phase of its development, with first gold pour expected in Q4-2017. Once in production, Houndé will become Endeavour's flagship low-cost mine with a 10-year mine life based on current reserves and an average annual production of 235,000 ounces at an AISC of \$610/oz over the first 4 years.
- The acquisition of True Gold was completed on April 26, 2016, and the integration started immediately thereafter to support the ramp-up to commercial production of the Karma mine following its first gold on April 11, 2016. Endeavour will communicate its updated production guidance for 2016, inclusive of Karma, with its second quarter results.
- The Ity CIL Definitive Feasibility Study is on-track to be completed in the third quarter of 2016.
- A group-wide exploration strategic review is on-track to be completed by the third quarter of 2016.

#### Conference call and live webcast

Management will host a conference call and live webcast on Tuesday, May 3, 2016, at 9:00am Toronto time (EST) to discuss the Company's financial and operational results.

The conference call and live webcast are scheduled on Tuesday May 3, 2016, at:

6:00am in Vancouver

9:00am in Toronto and New York

2:00pm in London

9:00pm in Hong Kong and Perth

The live webcast can be accessed through the following link:

<http://edge.media-server.com/m/p/jqxpuhhe>

Analysts and interested investors are invited to participate and ask questions using the dial-in numbers below:

International: +1646 254 3363

North American toll-free: 1 877 280 2342

UK toll-free: 0800 279 4841

Australian toll-free: 1800 027 830

Confirmation code: 5094920

A replay of the conference call and webcast will be available on Endeavour's website.

#### Qualified Persons

Adriaan "Attie" Roux, Pr.Sci.Nat, Endeavour's Chief Operating Officer, is a Qualified Person under NI 43-101, and has reviewed and approved the technical information related to mining operations in this news release.

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## About Endeavour Mining Corporation

Endeavour Mining is a TSX-listed intermediate gold producer, focused on developing a portfolio of high quality mines in the prolific West-African region, where it has established a solid operational and construction track record.

Endeavour is ideally positioned as the major pure West-African multi-operation gold mining company, operating 5 mines in Côte d'Ivoire (Agbaou, Ity), Burkina Faso (Karma), Mali (Tabakoto), and Ghana (Nzema). In 2016, it expects to produce between 535koz and 560koz at an AISC of US\$870 to US\$920/oz, excluding Karma which is expected to enter commercial production in June. Endeavour is currently building its Houndé project in Burkina Faso, which is expected to commence production in Q4-2017 and become its flagship low-cost mine with an average annual production of 190koz at an AISC of US\$709/oz over a 10-year mine life based on reserves.

The development of the Houndé project is expected to lift Endeavour's group production +900kozpa and decrease its average AISC to <\$800/oz by 2018, while exploration is aims to extend all mine lives to +10 years.

Endeavour is listed on the TSX (symbol EDV), and also trades on the OTCQX (symbol EDVMF).

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This news release 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. AISC, all-in sustaining costs at the mine level, cash costs, operating EBITDA, all-in sustaining margin, free cash flow, net free cash flow, free cash flow per share, net debt, and adjusted earnings are non-GAAP financial performance measures with no standard meaning under IFRS, further discussed in the section Non-GAAP Measures in the most recently filed Management Discussion and Analysis for the quarter ended March 31, 2016.

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Appendix 1 : Production and Cost Details by Mine  
View Webcast Presentation in PDF Format

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