

MONTREAL, QUEBEC--(Marketwired - Jan 20, 2016) - [Semafo Inc.](#) (TSX:SMF)(OMX:SMF) reports full-year 2015 production results of 255,900 ounces at a total cash cost of \$495 and all-in sustaining cost of \$648 per ounce at its Mana Mine. As a result, the Corporation has met its production guidance for the eighth consecutive year and beat its cost guidance for the year.

Highlights

- In the fourth quarter, 57,500 ounces of gold were produced at a total cash cost¹ of \$495 per ounce and all-in sustaining cost² of \$730 per ounce
- Annual production of 255,900 ounces, in line with our 2015 guidance of 245,000 to 275,000 ounces
- Total cash cost¹ for 2015 came in at \$495 per ounce, well below our initial guidance of between \$575 and \$605 per ounce
- All-in sustaining cost² for 2015 of \$648 per ounce, beating our initial guidance of between \$715 and \$750 per ounce
- Cash and cash equivalents of \$167 million as of December 31, 2015
- Gold sales of 258,600 ounces of gold, resulting in annual revenues of \$300 million

2015 numbers are preliminary and are subject to final adjustment. All amounts are in US dollars unless otherwise indicated.

2016 Outlook

- Production of between 225,000 and 245,000 ounces of gold
- Total cash cost¹ of between \$535 and \$565 per ounce
- All-in sustaining cost² of between \$720 and \$760 per ounce
- Capital expenditures of \$44.3 million at Mana
- Initial exploration budget of \$11 million

A number of assumptions were made in preparing the 2016 guidance, including

- Price of gold: \$1,050 US dollars per ounce
- Price of fuel: \$1.07 US dollars per litre
- Exchange rate: \$0.72 US dollars to the Canadian dollar
- Exchange rate: \$1.09 US dollars to the Euro

¹ Total cash cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the mining operation expenses and government royalties per ounce sold.

² All-in sustaining cost is a non-IFRS financial performance measure with no standard definition under IFRS and represents the total cash cost, plus sustainable capital expenditures and stripping costs per ounce.

Mining Operations

Mana, Burkina Faso

	Three-month period ended December 31,				Year ended December 31,			
	2015	2014	Variation		2015	2014	Variation	
Operating Data								
Ore processed (tonnes)	642,600	638,200	1	%	2,399,100	2,754,400	(13	%)
Head grade (g/t)	3.13	3.30	(5	%)	3.63	2.90	25	%
Recovery (%)	89	91	(1	%)	91	91	-	
Gold ounces produced	57,500	61,800	(7	%)	255,900	234,300	9	%
Gold ounces sold	65,500	65,500	-		258,600	230,200	12	%

In 2016, the Mana mill should process approximately 2.5 million tonnes at an average grade of 3.25 g/t Au, with an average gold recovery rate of 91%. This year, ore will be extracted equally from the high-grade deposits of Siou and Fofina. Mining is expected to resume in the Wona pit in 2017. Due to the mine sequence, the average ore grade for Siou in 2016 is estimated at 4.0 g/t Au. However, the average grade sourced from Siou in 2017 should reach 4.7 g/t Au.

2016 Capital Expenditures at Mana

	\$ million
Sustaining capital	12.1
Stripping cost	28.4
Sustaining capital - 2015 Deferred	3.8
Total	44.3

The general and administrative expense for 2016 is estimated at \$13.5 million.

Update on Natougou Feasibility Study

The feasibility study for the Natougou gold deposit has entered the final stages and is now expected to be finalized ahead of schedule toward the end of the first quarter of 2016. The study is tracking within budget, with ninety percent of the \$12.5 million budget having been expended to date.

2016 Exploration

The initial 2016 exploration budget has been established at \$11 million, of which some \$6 million has been assigned to Natougou, \$4.5 million to the Mana project and the remaining balance to other properties.

Exploration activities on Natougou (Tapoa Permit Group) in 2016 will include a 6,000-meter core drill program, which will primarily focus on testing the continuity of the footwall zone of the Boungou Shear Zone in addition to the sector southwest of the Natougou deposit. A total of 20,000 meters of RC drilling will be conducted for proximal and regional drill programs at Natougou. In addition, 60,000 meters of auger drilling are planned, principally for regional programs.

Exploration efforts at Mana during the year will include 27,000 meters of RC drilling on three sectors located south of the Mana plant. A 27,000-meter auger drill program will also be carried out within trucking distance of the Mana mill.

Fourth Quarter and 2015 Conference Call

SEMAFO anticipates releasing its 2015 fourth-quarter and year-end financial results before market-open on March 9, 2016. Interested parties are invited to join the conference call and webcast at 10.00 a.m. EST.

Tel. local & overseas: +1 (647) 788 4922

Tel. North America: 1 (877) 223 4471

Webcast: www.semafo.com

Replay number: 1 (800) 585 8367 or 1 (416) 621 4642

Replay pass code: 23405759

Replay expiration: March 30, 2016

About SEMAFO

SEMAFO is a Canadian-based mining company with gold production and exploration activities in West Africa. The Corporation operates the Mana Mine in Burkina Faso, which includes the high-grade satellite deposits of Siou and Fofina. SEMAFO is committed to evolve in a conscientious manner to become a major player in its geographical area of interest. SEMAFO's strategic focus is to maximize shareholder value by effectively managing its existing assets as well as pursuing organic and strategic growth opportunities.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and accordingly, actual results and future events could differ materially from those expressed or implied in such statements. You are hence cautioned not to place undue reliance on forward-looking statements. Forward-looking statements include words or expressions such as "guidance", "outlook", "preliminary", "final adjustment", "initial", "assumptions", "should", "will", "expected", "estimated", "anticipates", "committed", "evolve", "become", "pursuing", "growth", "opportunities" and other similar words or expressions. Factors that could cause future results or events to differ materially from current expectations expressed or implied by the forward-looking statements include the ability to meet our production guidance of between 225,000 and 245,000 ounces of gold at a total cash cost of between \$535 and \$565 per ounce and all-in sustaining cost of between \$720 and \$760 per ounce, the ability to incur \$44.3 million of capital expenditures at Mana, the ability to invest \$11 million in our initial exploration program in 2016, the accuracy of our various assumptions, the ability of the Mana mill to process approximately 2.5 million tonnes at an average grade of 3.25 g/t Au with an average gold recovery rate of 91%, the ability of Siou's average ore grade to be at 4.0 g/t Au in 2016 and reach 4.7 g/t Au in 2017, the ability to keep our general and administrative expenditures at \$13.5 million, the ability to finalize the Natougou feasibility study toward the end of the first quarter of 2016, the ability to execute on our strategic focus, fluctuation in the price of currencies, gold or operating costs, mining industry risks, uncertainty as to calculation of mineral reserves and resources, delays, political and social stability in Africa (including our ability to maintain or renew licenses and permits) and other risks described in SEMAFO's documents filed with Canadian securities regulatory authorities. You can find further information with respect to these and other risks in SEMAFO's 2014 Annual MD&A, as updated in SEMAFO's 2015 First Quarter MD&A, 2015 Second Quarter MD&A and 2015 Third Quarter MD&A, and other filings made with Canadian securities regulatory authorities and available at www.sedar.com. These documents are also available on our website at www.semafo.com. SEMAFO disclaims any obligation to update or revise these forward-looking statements, except as required by applicable law.

The information in this release is subject to the disclosure requirements of SEMAFO under the *Swedish Securities Market Act* and/or the Swedish *Financial Instruments Trading Act*. This information was publicly communicated on January 20, 2016 at 7:00 a.m., Eastern Standard Time.

Contact

SEMAFO
Robert LaValliere
Vice-President, Corporate Affairs & Investor Relations
Cell: +1 (514) 240 2780
Robert.Lavalliere@semafo.com
Ruth Hanna
Analyst, Investor Relations
Ruth.Hanna@semafo.com
Tel. local & overseas: +1 (514) 744 4408
North America Toll-Free: 1 (888) 744 4408
www.semafo.com