

Estimates Natougou Inferred Resources Increase to 754,000 Ounces

MONTREAL, QUEBEC--(Marketwired - Feb. 27, 2017) - [Semafo Inc.](#) (TSX:SMF)(OMX:SMF) today announced its updated mineral reserves and resources as of December 31, 2016.

Reserves & Resources - Overview

- Total proven and probable mineral reserves stand at 3.0 million ounces
- Measured and indicated mineral resources remain constant at 3.0 million ounces
- Inferred resources increased by 22% to 2.6 million ounces
- Natougou inferred resources increased by 119% to 754,000 ounces

At the end of 2016, total proven and probable reserves stood at 28.2 million tonnes averaging 3.31 g/t Au for 3.0 million ounces as compared to 30.5 million tonnes at 3.32 g/t Au for 3.3 million ounces at the end of 2015. The slight decrease in reserves is due to depletion as SEMAFO produced 240,200 ounces of gold in 2016.

Inferred resources at Natougou amounted to 6.3 million tonnes averaging 3.72 g/t Au for 754,000 ounces of gold, an increase of 119% compared to year-end 2015. The increase in inferred resources is mainly attributable to the expansion of the West Flank Sector adjacent to the open-pit deposit.

The total exploration budget for 2017, which has initially been set at \$23 million, will focus on reserves replacement and mine life extensions, and represents an increase over 2016.

All mineral resources reported are exclusive of mineral reserves. Gold price assumptions for reserves and resources are unchanged from 2015 at US\$1,100 and US\$1,400 per ounce, respectively. See the attached table for more details.

Mana

At year-end 2016, Mana's mineral reserves totalled 18.6 million tonnes at an average grade of 2.88 g/t Au for 1.7 million ounces, compared to 21.0 million tonnes at 2.95 g/t Au for 2.0 million ounces at year-end 2015. The 13% decrease in gold reserves is mainly driven by depletion from mining at the Siou and Fofina open pit deposits during the year, slightly offset by the addition of reserves at Yama.

- Siou's proven and probable reserves totalled 5.0 million tonnes averaging 4.29 g/t Au for 689,000 ounces of contained gold at the end of 2016. Inferred resources amounted to 5.8 million tonnes at 3.70 g/t Au containing 693,200 ounces. In 2017, the \$5 million initial exploration budget for Mana will focus on the Siou Sector where \$1 million of the Mana budget has been allotted to testing the potential for an underground operation.
- As at December 31, 2016, reserves at the Fofina deposit were almost depleted and ore extraction will end at the beginning of the second quarter of 2017.
- The mineral reserves estimate for Wona remains unchanged from 2015 as stripping of the Wona Nord pillar only commenced in the second half of 2016. At year-end 2016, reserves stood at 12.4 million tonnes at a grade of 2.30 g/t Au for 912,600 ounces of contained gold.

Table 2 presents the reserves and resources estimate at the Mana pits as at December 31, 2016.

Tapoa (Natougou Project)

As the project is currently under construction, the open-pit proven and probable mineral reserves estimate for Natougou remains unchanged from 2015 at 9.6 million tonnes averaging 4.15 g/t Au for 1.3 million ounces of contained gold.

Following establishment of an initial exploration budget of \$15 million for Natougou in 2017, an \$8.5 million infill drilling program has already begun on the West Flank with the goal of upgrading the inferred mineral resources into the indicated category. During the second half of the year, we intend to carry out studies into a potential underground operation accessible by a decline at the bottom of the open pit on the West Flank. An amount of \$1.3 million has been earmarked for this purpose.

Yactibo (Nabanga Deposit)

Inferred resources at the Nabanga deposit remain unchanged at 1.8 million tonnes at 10.0 g/t Au for 590,000 ounces of contained gold. The NI 43-101 Technical Report for Yactibo Permit Group, Nabanga Gold Deposit was filed in June 2015 on SEDAR.

Table 1 gives our consolidated mineral reserves and resources as at December 31, 2016.

Qualified Person

The mineral reserves and resources were estimated as at December 31, 2016 in accordance with the definitions adopted by the Canadian Institute of Mining Metallurgy and Petroleum and incorporated into National Instrument 43-101 - Standards of Disclosure for Mineral Projects (NI 43-101). Updates on the proven and probable mineral reserves and the measured, indicated and inferred mineral resources, with the exception of the reserves of the Natougou deposit, were carried out by an in-house team under the direction of Michel Crevier, P.Geo MScA, Vice-President, Exploration and Mine Geology and SEMAFO's Qualified Person, who has reviewed this press release. For the mineral reserves estimate for the Tapoa (Natougou Project), please refer to the NI 43-101 Technical Report that was filed on SEDAR on March 28, 2016.

Table 1 - Consolidated Reserves and Resources

PROPERTY	Mana ^{1,2,4,5,6}	Tapoa ^{1,2,4,5,6} (Natougou Project)	Yactibo ^{1,3,4,5,7} (Nabanga Project)	Total
MINERAL RESERVES				
Proven				
Tonnes	10,242,000	1,583,000		11,825,000
Grade (g/t Au)	3.09	6.46		3.54
Ounces	1,017,000	329,000		1,346,000
Probable				
Tonnes	8,400,000	7,984,000		16,384,000
Grade (g/t Au)	2.63	3.69		3.15
Ounces	710,600	947,000		1,657,600
TOTAL MINERAL RESERVES				
Tonnes	18,642,000	9,567,000		28,209,000
Grade (g/t Au)	2.88	4.15		3.31
Ounces	1,727,600	1,276,000		3,003,600
MINERAL RESOURCES (exclusive of reserves)				
Measured				
Tonnes	9,050,000	70,000		9,120,000
Grade (g/t Au)	1.47	1.90		1.48
Ounces	428,600	4,000		432,600
Indicated				
Tonnes	35,981,000	2,602,000		38,583,000
Grade (g/t Au)	2.04	2.48		2.07
Ounces	2,360,600	207,000		2,567,600
TOTAL M&I				
Tonnes	45,031,000	2,672,000		47,703,000
Grade (g/t Au)	1.93	2.46		1.96
Ounces	2,789,200	211,000		3,000,200
Inferred				
Tonnes	13,022,000	6,298,000	1,840,000	21,160,000
Grade (g/t Au)	2.95	3.72	10.00	3.79
Ounces	1,233,600	754,000	590,000	2,577,600

¹ The Corporation indirectly owns a 100% interest in all of its permits, except for the permits held by SEMAFO Burkina Faso S.A. and SEMAFO Boungou S.A., respectively, in which the Government of Burkina Faso holds a 10% interest.

² Mineral reserves and resources at Mana and at Tapoa (Natougou project) were estimated using a gold price of \$1,100 and \$1,400 per ounce, respectively.

³ Mineral resources at Yactibo Permit Group (Nabanga project) were reported above a 5.0 g/t Au cut-off grade.

⁴ Rounding of numbers of tonnes and ounces may present slight differences in the figures.

⁵ All mineral resources reported are exclusive of mineral reserves.

⁶ As of December 31, 2016.

⁷ As of June 30, 2015.

Table 2 - Mana, Burkina Faso^{1,2,3}

DEPOSITS DECEMBER 31, 2016

		PROVEN RESERVES			PROBABLE RESERVES			TOTAL RESERVES		
		Tonnage	Grade (g/t Au)	Ounces ⁴	Tonnage	Grade (g/t Au)	Ounces ⁴	Tonnage	Grade (g/t Au)	Ounces ⁴
MANA ^{1,2,3}	WONA-KONA	6,060,000	2.35	457,900	6,308,000	2.24	454,700	12,368,000	2.30	912,600
	NYAFÉ	263,000	5.85	49,400	4,000	5.02	700	267,000	5.84	50,100
	FOFINA	199,000	3.38	21,600	12,000	2.69	1,000	211,000	3.33	22,600
	SIOU	3,535,000	4.14	470,500	1,461,000	4.65	218,400	4,996,000	4.29	688,900
	YAMA	-	-	-	615,000	1.81	35,800	615,000	1.81	35,800
	ROMPAD	185,000	2.96	17,600	-	-	-	185,000	2.96	17,600
	TOTAL	10,242,000	3.09	1,017,000	8,400,000	2.63	710,600	18,642,000	2.88	1,727,600

DEPOSITS DECEMBER 31, 2016

		MEASURED			INDICATED			TOTAL RESOURCES		
		Tonnage	Grade (g/t Au)	Ounces ⁴	Tonnage	Grade (g/t Au)	Ounces ⁴	Tonnage	Grade (g/t Au)	Ounces ⁴
MANA ^{1,2,3}	WONA-KONA	1,419,000	1.98	90,200	21,696,000	2.55	1,778,400	23,115,000	2.51	1,868,600
	NYAFÉ	300,000	5.60	54,100	230,000	5.84	43,100	530,000	5.70	97,200
	FOFINA	412,000	3.67	48,600	309,000	4.04	40,200	721,000	3.83	88,800
	YAH0	5,738,000	0.91	168,500	11,636,000	0.88	330,800	17,374,000	0.89	499,300
	FILON 67	26,000	2.72	2,300	9,000	3.59	1,000	35,000	2.93	3,300
	FOBIRI	469,000	1.80	27,100	114,000	1.52	5,600	583,000	1.74	32,700
	SIOU	686,000	1.71	37,800	1,879,000	2.65	160,100	2,565,000	2.40	197,900
	YAMA	-	-	-	108,000	0.41	1,400	108,000	0.40	1,400
	TOTAL	9,050,000	1.47	428,600	35,981,000	2.04	2,360,600	45,031,000	1.93	2,789,600

DEPOSITS DECEMBER 31, 2016

		INFERRED		
		Tonnage	Grade (g/t Au)	Ounces ⁴
MANA ^{1,2,3}	WONA-KONA	3,463,000	2.96	329,600
	NYAFÉ	151,000	5.86	28,400
	FOFINA	88,000	3.73	10,500
	YAH0	223,000	0.78	5,600
	FILON 67	6,000	6.32	1,100
	FOBIRI	578,000	1.39	25,800
	MAOULA	2,628,000	1.62	137,100
	SIOU	5,834,000	3.70	693,200
	YAMA	51,000	1.42	2 300
	TOTAL	13,022,000	2.95	1,233,600

¹ The Corporation indirectly owns 90% of SEMAFO Burkina Faso S.A., which directly holds the interest in the Mana Mine reserves and resources.

² Mineral reserves and resources were estimated using a gold price of \$1,100 and \$1,400 per ounce, respectively.

³ All mineral resources reported are exclusive of mineral reserves.

⁴ Rounding of numbers of tonnes and ounces may present slight differences in the figures.

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, and is advancing construction of the Natougou Project. 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 "initially", "will", "testing", "potential", "with the goal of", "intend", "carry out", "earmarked", "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 execute the \$23 million initial exploration budget, the ability to replace reserves and extend mine life, convert current inferred resources on Natougou's West Flank Zone into the indicated category, the ability to proceed with an underground at Siou and at Natougou, 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 2015 Annual MD&A, as updated in SEMAFO's 2016 First Quarter MD&A, 2016 Second Quarter MD&A and 2016 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 February 27, 2017 at 7:00 a.m., Eastern Standard Time.

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