

SEMAFO: Debt and Corporate Update

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ALL AMOUNTS IN US DOLLARS

MONTREAL, Dec. 23, 2019 - [Semafo Inc.](#) (TSX: SMF) (OMX: SMF) provides a debt and corporate update.

Benoit Desormeaux, President and CEO of SEMAFO, stated: "Macquarie has been our sole lender and an excellent partner through this difficult time. I would like to thank them for their support as we work towards a restart plan at Boungou and ramping up to full production at Siou underground at the end of the first quarter of 2020."

Debt Update

SEMAFO has entered into an amendment agreement (the "Amendment Agreement") with Macquarie Bank Limited ("Macquarie") that updates the original credit agreement (the "Original Agreement"). The Original Agreement remains in force, and the Amendment Agreement provides two main updates.

The first update relates to an event of default provision. The Original Agreement provided that an event of default occurred when, among other things, operations at Boungou remained suspended for a period of 30 days or more. We obtained a waiver from Macquarie in early December as we worked towards the Amendment Agreement. Under the Amendment Agreement, a new event of default occurs if the mill has not restarted and the processing of ore from the existing stockpiles at Boungou has not commenced by February 15, 2020 or such later date that Macquarie may agree with.

The second update relates to the reserve account, recorded as restricted cash, in which \$15 million is held until the loan reaches \$30 million. Under the Amendment Agreement, this restricted cash of \$15 million will be applied against the principal payment on December 31, 2019. The reserve account and restricted cash will therefore be nil at December 31, 2019, and SEMAFO will be required to replenish the reserve account back to \$15 million by March 31, 2020, in addition to making the regular principal payment of \$15 million due March 31, 2020.

Corporate Update

We continue to manage cash and working capital conservatively and prudently, including postponing exploration activities. Our 2020 plan will focus on maximising cash flow. We continue to evaluate a variety of options to restart operations at Boungou in a safe and secure manner.

About SEMAFO

SEMAFO is a Canadian-based intermediate gold producer with over twenty years' experience building and operating mines in West Africa. The Corporation owns two mines, the Mana and Boungou Mines in Burkina Faso. SEMAFO is committed to building value through responsible mining of its quality assets and leveraging its development pipeline.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. All statements other than statements of present or historical facts are forward-looking. 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 "work towards", "restart", "plan", "ramping up", "2020", "will", "continue", "anticipate", "focus", "committed", "building", "leveraging", "development", "pipeline" 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: (i) start the mill and commence the processing of ore from the existing stockpiles at Boungou by February 15, 2020, (ii) ramp up to full production at Siou underground at the end of the first quarter of 2020, (iii) replenish the reserve account back to \$15 million on March 31, 2020 in addition to making the regular principal payment of \$15 million due March 31, 2020, (iv) 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 2018 Annual MD&A, as updated in SEMAFO's 2019 First, Second and Third Quarter MD&As, 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.

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