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**ENDEAVOUR
MINING**

CONSOLIDATED FINANCIAL STATEMENTS

**For the years ended 31 December 2021 and
31 December 2020**

(Expressed in Millions of United States Dollars)

CONSOLIDATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ENDEAVOUR MINING PLC

Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the state of the Group's affairs as at December 31, 2021 and December 31, 2020 and of its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

We have audited the consolidated financial statements of Endeavour Mining Plc and its subsidiaries (the "Group") for the years ended December 31, 2021 and December 31, 2020 which comprises the consolidated statements of financial position, consolidated statements of comprehensive earnings/ (loss), consolidated statements of cash flows, consolidated statements of changes in equity and notes to the consolidated financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as issued by IAASB. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements, including the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

What we considered to be a key audit matter	Risk that the Purchase Price Allocation ("PPA") for the acquisition of Teranga is incorrectly accounted for.	Risk that the life of mine estimates are inappropriate and mining interests require impairment.	Risk that the goodwill relating to the Teranga and Semafo acquisitions is impaired.	Risk that provisions in relation to tax claims are inappropriate.
Why it represented a key audit matter	Management were required to exercise significant judgement and estimation in these areas. The appropriate disclosure of such judgements and estimates was also a focus for the audit.			
Relevant information in Consolidated Financial Statements	Note 5	Notes 6 and 12	Note 13	Note 25

Key audit matter	How the scope of our audit addressed the key audit matter
Risk that the Purchase Price Allocation (“PPA”) for the acquisition of Teranga is incorrectly accounted for. As detailed in Note 5, the Group completed the acquisition of Teranga Mining Inc., effective 10 February 2021. The consideration paid totalled \$1.75 billion. A business combination must be accounted under IFRS 3 by applying the acquisition method. This includes the recognition and measurement of assets and liabilities at fair value, and non-controlling interests at the proportionate share of the fair value of the net assets. Given the size of the acquisition and the high degree of estimate and judgement applied by Management in the PPA valuation, the accounting for the PPA represented a significant audit risk and a key area of focus for our audit.	We checked that the PPA was subject to appropriate internal review, including by the Board. We agreed the opening balances to supporting documentation, including obtaining bank confirmation letters. We specifically focused on the completeness of liabilities and existence of assets at the date of acquisition. Our testing approach included onsite mine visits post acquisition to perform stock count and asset verification procedures. We obtained Management’s analysis of the business combination, including details of all assets and liabilities acquired and their valuation. We have examined all relevant agreements, schedules and supporting documentation of the identifiable assets acquired, liabilities assumed (principally rehabilitation and provisions for tax claims), any non-controlling interests in the acquiree, and the amounts or fair value allocated to the mining interests, exploration assets and inventories and agreed amounts to the PPA schedules. We evaluated and critically assessed the work performed by Management and their third party experts on the Purchase Price Allocation and challenged their conclusions over key judgement areas with reference to market data and historic information, namely; recognition of any separate intangibles, valuation of mining interests and exploration assets, inventory valuation, any contingent liabilities recognised and deferred tax adjustments. As part of our audit work we assessed the value attributed to the assets and liabilities acquired. In utilising the work of Management’s expert, we evaluated the competence and objectivity of the professional advisers relied upon by Management. Our assessment of the fair value of mining interests and exploration assets included the following: • Our internal valuations specialists assessed the valuation methodologies applied to check they are in accordance with industry norms and standards and also assessed the appropriateness of the discount rates used in the PPA. • We assessed the key assumptions used in the valuations with reference to market data and historic and forecast information, including gold price, mining costs, capital expenditure and discount rates. As part of our testing, we compared the operating cost forecasts for Sabodala- Massawa and Wahgnion to the actual operating results since acquisition. • We corroborated the valuation to the latest reserve and resource data and challenged the Group’s technical team on the basis for those estimates. We considered the competency and capability of the external and internal experts that estimated the reserve and resources. • In relation to the exploration assets, we cross checked the in-situ valuation of the exploration assets performed by the Group’s external expert to market data. • In performing our review, we specifically considered whether Management had used hindsight arising from further developments since the acquisition date to influence the provisions recognised on acquisition. We have reviewed the allocation of goodwill to the CGU’s and have challenged Management on the basis of allocation. We considered the substance of the transaction and whether it is consistent with the entity’s disclosure of the primary reasons for the business combination. We reviewed the disclosures in the consolidated financial statements to check that all of the appropriate information had been included. Key observations: We found Management’s estimates and judgements in respect of its assessment of the PPA to be balanced and suitably supported by analysis of the fair value of the assets, liabilities and non-controlling interests and independent advice from Management’s external experts. We found the disclosures included in the consolidated financial statements in Note 5 to be appropriate.

Key audit matter	How the scope of our audit addressed the key audit matter
Risk that the life of mine estimates are inappropriate and mining interests require impairment. As detailed in Note 12, the Group's mining interests, including property, plant and equipment represent its most significant assets and total \$5.0bn at 31 December 2021. As detailed in Note 6, Management have performed an impairment indicator review for each of the operational assets under IAS 36 Impairment and have not identified any indicators of potential impairment, apart from at its Karma and Boungou mines. In addition, Management have performed an impairment assessment of the Mana and Sabodala-Massawa CGU's given goodwill has been allocated to these CGU's as part of the PPA accounting. See details under the key audit matter 'Risk that the goodwill relating to the Teranga and Semafo acquisitions is impaired' below. As a result of the indicators identified, Management performed an impairment test for the Karma mining operation as at 31 December 2021 to recognise Karma at the lower of its carrying value and fair value less costs of disposal ('FVLCD'). As Management were in discussions to sell the Karma mine, FVLCD was valued using a market-based valuation approach based on the expected fair value of the consideration to be received upon closing of the disposal of \$25.0 million, which resulted in an impairment of the mining interests at 31 December 2021 of \$11.7 million. At Boungou, Management identified impairment indicators in relation to lower grades and ounces being recovered as well as the increased operating costs of the mine, mainly due to increased spend on security. In addition, reduced confidence in previously identified exploration targets has decreased the estimated exploration potential of the mine from that which was estimated on acquisition. As a result of the impairment test performed, Management concluded that there was an impairment at the Boungou CGU at 31 December 2021 and recognised an impairment charge of \$246.3 million, of which \$31.9 million related to the goodwill.	We checked that the impairment models utilised the approved life of mine plans and were subject to appropriate internal review, including by the Board. We obtained and reviewed Management's impairment indicator review, and detailed impairment tests in respect of the Karma and Boungou mines as set out below. In respect of the Karma impairment, we obtained Management's calculation of the asset's fair value less cost of disposal and performed the following procedures thereon: • We agreed the cash consideration receivable to the draft sale and purchase agreement. • We obtained Management's assessment of the fair value of the contingent consideration and reviewed the inputs and fair value, with reference to the latest consensus analyst forecasts on future gold prices. • We obtained Management's assessment of the fair value of the royalty receivable and agreed the inputs to the calculation. We compared the gold price to market consensus data, recalculated the discount rate and agreed the production inputs to the underlying feasibility study. We reviewed and recalculated the discount rate used in conjunction with our internal valuation specialists. We performed sensitivity analysis on the key inputs and challenged the estimates with the Board. In respect of the Boungou impairment: • We evaluated Management's impairment model against the approved LOM plan and our understanding of the operation. In respect of the key estimates and assumptions used by Management, our testing included: comparison of the gold price to market consensus data; recalculation of discount rates and evaluation of the appropriateness of risk premiums therein in conjunction with our internal valuation specialists; and critical review of the forecast cost, capital spend and production profiles against the approved mine plan, resources and reserves reports and historic performance. • We compared the trading performance against budget/plan for FY 2021 in order to evaluate the quality of Management's forecasting and where under performance against budget/plan was highlighted, evaluated the impact on the forecasts. • In respect of pricing assumptions, our testing included evaluation of Management's gold price forecasts against analyst consensus forecasts. • We held meetings with mine Management (mine managers, geologists, mining engineers) to understand and challenge the production, operating cost and Capex forecasts. • We performed our own sensitivity calculations in respect of gold prices, discount rates, and operational performance, and compared the results of this to Management's sensitivity analysis. We also considered the appropriateness of related disclosures given in Note 6. For the Group's other mines, Management's impairment indicator review indicated that no impairment charges were required and that each cash generating unit had sufficient headroom above the CGU carrying value. As part of our impairment indicator review, we: • We evaluated Management's impairment models against approved LOM plans and our understanding of the operations, and critically challenged the key estimates and assumptions used by Management for each of the mining operations. • We compared the trading performance against budget/plan for FY 2021 in order to evaluate the quality of Management's forecasting and where under performance against budget/plan was highlighted evaluated the impact on the forecasts. • In respect of pricing assumptions, our testing included evaluation of Management's gold price forecasts against analyst consensus forecasts. • We held meetings with mine Management (mine managers, geologists, mining engineers) to understand and challenge the production, operating cost and Capex forecasts. • We performed our own sensitivity calculations in respect of gold prices, discount rates, and operational performance, and used the results of this to challenge Management's sensitivity assessments. We also considered the appropriateness of the related disclosures given in Note 6.

Key audit matter	How the scope of our audit addressed the key audit matter
Given the current gold price forecasts and consistent operating results, Management has considered there is no indication of any potential impairments at the Group's other operating mines. Despite this the preparation of the life of mine ('LOM') models still requires Management to make critical judgements and estimates regarding gold prices, reserves and resources, production rates, operating costs and capital expenditure, as well as economic variables such as discount rates. The value of the mining interests and the inherent judgement involved in the life of mine estimates makes this a significant audit risk and a key area of focus for our audit.	Key observations: In respect of the recoverable amount of Karma, we found Management's conclusion to be appropriate and that the Board's assessment appropriately considered the negotiations as at 31 December 2021. In respect of the recoverable amount of Boungou, we found the Management's conclusion to be appropriate and that the Board's assessment of the recoverable amount at 31 December 2021 considered both the Group's plans, recent performance and continued risks and uncertainties. We found the key assumptions made by Management and the Board in respect of the judgements in the LOM models and around the carrying value of the Group's other mining interests to be reasonable. We found the disclosures in the consolidated financial statements to be in line with the accounting standards.
Risk that the goodwill relating to the Teranga and Semafo acquisitions is impaired. As detailed in Note 13, the Group had recognised \$166.3m of goodwill arising from the acquisitions of Semafo and Teranga. This goodwill was allocated to the Mana, Boungou and Sabodala-Massawa CGU's. During the year, the Group impaired \$31.9m of goodwill that was allocated to the Boungou CGU. CGU's to which goodwill is allocated must be tested annually for impairment. This involves the use of significant estimates and judgements to determine the recoverable amount. In relation to Mana and Sabodala-Massawa, the preparation of the life of mine ('LOM') models used in the impairment review requires Management to make critical judgements and estimates regarding gold prices, reserves and resources, production rates, operating costs and capital expenditure, The value of the goodwill and the inherent judgement involved in the life of mine estimates makes this a significant audit risk and a key area of focus for our audit.	We checked that the impairment models utilised the approved life of mine plans and were subject to appropriate internal review, including by the Board. In respect of Management's impairment assessment for the CGU's that have goodwill allocated, we have reviewed Management's cash flow models for each CGU with allocated goodwill and determined the recoverable amounts. In doing so, we evaluated Management's LOM plans against our understanding of the operations. Our testing on the LOM models included comparison of the gold price forecasts to forward gold price data, market consensus information and trends. On the other key assumptions, our testing included a comparing the forecast cost, capital expenditure and production profiles against approved mine plans, reserves and resources reports and historic performance. We performed our own sensitivity calculations in respect of gold prices, discount rates, and operational performance and used the results of this to challenge Management's sensitivity assessments, along with considering the appropriateness of related disclosures given in Note 6, based on the requirements of the relevant accounting standards. Key observations: In respect of the recoverable amount of goodwill, we found the judgements made in valuing goodwill to be appropriate. We found the disclosures in the consolidated financial statements to be in line with the relevant accounting standards.

Key audit matter	How the scope of our audit addressed the key audit matter
Risk that the tax provisions are inappropriate. As detailed in Note 25, the Group is currently subject to tax claims and exposures associated with its operations in Burkina Faso, Cote D'Ivoire and Senegal, and in other territories where the Group has a tax presence. Management are required to assess income tax claims with reference to IFRIC 23, Uncertainty over Income Tax Treatments and non-income taxes, and those arising out of other taxes and customs audits under IAS 37, Provisions. Given the size and nature of the claims and exposures, and ongoing disputes, the recognition and presentation of any liabilities or contingent liabilities arising as a result of the taxation claims and exposures represented an area of key judgement and a key audit matter for our audit.	We checked that there was an appropriate level of review over the tax claims and provisions, including by the Board. We tested the completeness and accuracy of the claim values by agreeing to tax correspondence. For the provided claims and exposures, we reviewed correspondence for all claims above a set threshold to obtain an understanding of the claim, we obtained and reviewed the Group's internal analysis of the claims and exposures, and the provisions and liabilities recognised. We discussed Management's assessment of the status of the claim or exposure with the Group's internal tax team and/or external tax advisor. For the un-provided claims and exposures we reviewed correspondence for all claims above a set threshold to obtain an understanding of the claim, we have obtained and reviewed the Group's internal analysis of the claims and exposures and any external professional advice from Management's experts. In doing so, we discussed and critically assessed Management's assessment of the status of the claim or exposure with the Group's internal tax team and/or external tax advisor. As part of our assessment, we considered if it is appropriate that no provision is made for un-provided assessments and exposures and also considered whether there is a need for disclosure of contingent liabilities where no provision has been made. We have engaged our internal tax experts to assist in this assessment. We evaluated the competence and objectivity of professional advisors relied upon by Management. Key observations: We found Management's estimates and judgements in respect of its assessment of the provisioning for outstanding tax claims and exposures to be balanced and suitably supported by analysis of the claims and exposures, and independent advice from Management's external experts. We found the disclosures included in the consolidated financial statements in Note 25 to be appropriate and relevant.

Other information

The Directors are responsible for the other information including the Management Discussion and Analysis (MD&A). The other information comprises the information included in the Management Discussion & Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the consolidated financial statements

The Directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The engagement partner on the audit resulting in this independent auditor's report is Matt Crane.

/S/ BDO LLP

Chartered Accountants
London, UK
17 March 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS

(EXPRESSED IN MILLIONS OF UNITED STATES DOLLARS, EXCEPT PER SHARE AMOUNTS)

	Note	YEAR ENDED	
		31 December 2021	31 December 2020
Revenues			
Revenue	23	2,778.1	1,424.1
Cost of sales			
Operating expenses		(1,062.9)	(574.8)
Depreciation and depletion		(648.7)	(261.2)
Royalties		(175.7)	(98.7)
Earnings from mine operations		890.8	489.4
Corporate costs	4	(62.5)	(23.7)
Acquisition and restructuring costs	5	(29.5)	(39.8)
Impairment of mining interests and goodwill	6	(259.4)	(64.5)
Share-based compensation	7	(32.5)	(18.8)
Exploration costs		(23.6)	(4.9)
Earnings from operations		483.3	337.7
Other income/(expense)			
Gain/(loss) on financial instruments	8	22.9	(78.7)
Finance costs	9	(66.1)	(48.8)
Other (expense)/income		(16.0)	9.3
Earnings before taxes		424.1	219.5
Current income tax expense	21	(196.4)	(122.6)
Deferred income tax recovery	21	51.8	37.4
Net comprehensive earnings from continuing operations		279.5	134.3
Net comprehensive loss from discontinued operations	5	(3.7)	(21.8)
Net comprehensive earnings		\$ 275.8	\$ 112.5
Net earnings from continuing operations attributable to:			
Shareholders of Endeavour Mining plc		220.7	95.9
Non-controlling interests	19	58.8	38.4
		\$ 279.5	\$ 134.3
Total net earnings attributable to:			
Shareholders of Endeavour Mining plc		215.5	73.1
Non-controlling interests	19	60.3	39.4
		\$ 275.8	\$ 112.5
Earnings per share from continuing operations			
Basic earnings per share	7	\$ 0.92	\$ 0.70
Diluted earnings per share	7	\$ 0.91	\$ 0.70
Earnings per share			
Basic earnings per share	7	\$ 0.90	\$ 0.53
Diluted earnings per share	7	\$ 0.89	\$ 0.53

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED FINANCIAL STATEMENTS **CONSOLIDATED STATEMENT OF CASH FLOWS**

(EXPRESSED IN MILLIONS OF UNITED STATES DOLLARS)

	Note	YEAR ENDED	
		31 December 2021	31 December 2020
Operating Activities			
Earnings before taxes		424.1	219.5
Non-cash items	20	990.3	484.4
Cash paid on settlement of DSUs, PSUs and options	7	(9.2)	(1.9)
Cash received/(paid) for other financial assets and liabilities		1.5	(24.8)
Income taxes paid	21	(227.7)	(56.6)
Foreign exchange (loss)/gain		(12.3)	8.0
Operating cash flows before changes in working capital		1,166.7	628.6
Changes in working capital	20	8.2	81.9
Operating cash flows generated from continuing operations		1,174.9	710.5
Operating cash flows (used by)/generated from discontinued operations	5	(8.8)	38.4
Cash generated from operating activities		\$ 1,166.1	\$ 748.9
Investing Activities			
Expenditures on mining interests	12	(522.5)	(235.9)
Cash paid for additional interest of Ity mine	19	—	(5.4)
Cash acquired on acquisition of subsidiaries	5	27.0	93.0
Changes in other assets		(11.3)	(7.3)
Proceeds from sale of assets	12	—	10.3
Proceeds from sale of Agbaou net of cash disposed of	5	(4.7)	—
Investing cash flows used by continuing operations		(511.5)	(145.3)
Investing cash flows used by discontinued operations	5	(0.2)	-14.8
Cash used in investing activities		\$ (511.7)	\$ (160.1)
Financing Activities			
Proceeds received from the issue of common shares	7	200.0	100.0
Acquisition of shares in share buyback	7	(133.8)	—
Payments from the settlement of shares	17	(1.1)	—
Dividends paid to minority shareholders	19	(29.9)	(8.6)
Dividends paid to shareholders	7	(129.9)	—
Proceeds of long-term debt	9	490.0	120.0
Repayment of long-term debt	9	(1,143.0)	(150.0)
Proceeds on issuance of senior notes	9	494.6	—
Payment of financing fees and other		(27.6)	(6.9)
Interest paid		(26.9)	(33.7)
Repayment of finance and lease obligation	16	(28.4)	(82.7)
Settlement of gold offtake liability	5	(49.7)	—
Financing cash flows used by continuing operations		(385.7)	(61.9)
Financing cash flows used by discontinued operations	5	(45.4)	(8.8)
Cash used in financing activities		\$ (431.1)	\$ (70.7)
Effect of exchange rate changes on cash		(31.8)	6.7
Increase in cash and cash equivalents		191.5	524.8
Cash and cash equivalents, beginning of year ¹		714.7	189.9
Cash and cash equivalents, end of year		\$ 906.2	\$ 714.7
Less: cash relating to assets held for sale		—	(69.7)
Cash and cash equivalents, end of year		\$ 906.2	\$ 645.0

¹Cash and cash equivalents at the beginning of the 2021 year includes cash classified as part of assets held for sale of \$69.7 million.

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EXPRESSED IN MILLIONS OF UNITED STATES DOLLARS)

	Note	As at 31 December 2021	As at 31 December 2020
ASSETS			(Note 5)
Current			
Cash and cash equivalents		906.2	645.0
Trade and other receivables	10	104.8	55.1
Inventories	11	311.3	190.6
Current portion of other financial assets	14	8.6	—
Prepaid expenses and other		35.1	26.3
Current assets excluding assets held for sale		1,366.0	917.0
Assets held for sale	5	—	180.8
		1,366.0	1,097.8
Non-current			
Mining interests	12	4,980.2	2,577.8
Goodwill	13	134.4	71.5
Deferred tax assets	21	10.0	19.8
Other financial assets	14	95.0	25.2
Other long term assets	11	185.3	77.0
Total assets		\$ 6,770.9	\$ 3,869.1
LIABILITIES			
Current			
Trade and other payables	15	351.0	261.7
Lease liabilities	16	14.4	13.7
Other financial liabilities	17	32.4	—
Income taxes payable	21	169.3	134.2
Current liabilities excluding liabilities held for sale		567.1	409.6
Liabilities held for sale	5	—	112.8
		567.1	522.4
Non-current			
Lease liabilities	16	36.7	23.5
Long-term debt	9	841.9	688.3
Other financial liabilities	17	104.3	2.9
Environmental rehabilitation provision	18	162.9	78.0
Deferred tax liabilities	21	672.3	305.1
Total liabilities		\$ 2,385.2	\$ 1,620.2
EQUITY			
Share capital	7	2.5	16.4
Share premium	7	4.5	3,027.4
Other reserves	7	584.0	70.4
Retained earnings/(deficit)		3,330.5	(1,056.2)
Equity attributable to shareholders of the Corporation		\$ 3,921.5	\$ 2,058.0
Non-controlling interests	19	464.2	190.9
Total equity		\$ 4,385.7	\$ 2,248.9
Total equity and liabilities		\$ 6,770.9	\$ 3,869.1

Registered No. 13280545

COMMITMENTS AND CONTINGENCIES (NOTE 25)

SUBSEQUENT EVENTS (NOTE 26)

Approved by the Board: 17 March 2022

"Sébastien de Montessus" Director

"Alison Baker" Director

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 (EXPRESSED IN MILLIONS OF UNITED STATES DOLLARS)

		SHARE CAPITAL						
	Note	Share Capital	Share Premium Reserve	Other reserves (Note 7)	(Deficit)/ Retained Earnings	Total Attributable to Shareholders	Non-Controlling Interests	Total
At 1 January 2020		11.0	1,763.2	72.5	(1,128.8)	717.9	98.6	816.5
Consideration on the acquisition of SEMAFO	5	4.8	1,146.6	—	—	1,151.4	108.4	1,259.8
Shares issued on private placement	7	0.5	99.5	—	—	100.0	—	100.0
Shares issued on exercise of options and PSU's		0.1	19.3	(19.3)	—	0.1	—	0.1
Share based compensation	7	—	—	17.2	—	17.2	—	17.2
Dividends to non-controlling interests	19	—	—	—	—	—	(55.3)	(55.3)
Cancellation of treasury shares	7	—	(1.2)	—	(0.3)	(1.5)	—	(1.5)
Change in non-controlling interests	19	—	—	—	(0.2)	(0.2)	(0.2)	(0.4)
Total net and comprehensive earnings		—	—	—	73.1	73.1	39.4	112.5
At 31 December 2020		\$ 16.4	\$ 3,027.4	\$ 70.4	\$ (1,056.2)	\$ 2,058.0	\$ 190.9	\$ 2,248.9
At 1 January 2021		16.4	3,027.4	70.4	(1,056.2)	2,058.0	190.9	2,248.9
Consideration on the acquisition of Teranga	5	7.9	1,670.4	30.4	—	1,708.7	245.9	1,954.6
Shares issued on private placement	7	0.9	199.1	—	—	200.0	—	200.0
Purchase and cancellation of own shares	7	(0.3)	—	0.3	(152.1)	(152.1)	—	(152.1)
Shares issued on exercise of options and PSU's		0.1	31.8	(24.8)	3.1	10.2	—	10.2
Share based compensation	7	—	—	25.4	—	25.4	—	25.4
Dividends paid	7	—	—	—	(129.8)	(129.8)	—	(129.8)
Dividends to non-controlling interests	19	—	—	—	—	—	(29.9)	(29.9)
Disposal of the Agbaou mine	5	—	—	—	—	—	(3.0)	(3.0)
Reorganisation	1, 4	(22.5)	(4,924.2)	4,946.7	—	—	—	—
Deferred shares issued upon capitalisation	7	4,450.0	—	(4,450.0)	—	—	—	—
Cancellation of deferred shares	7	(4,450.0)	—	—	4,450.0	—	—	—
Reclassification of PSU's to liabilities	7	—	—	(14.4)	—	(14.4)	—	(14.4)
Total net and comprehensive earnings		—	—	—	215.5	215.5	60.3	275.8
At 31 December 2021		\$ 2.5	\$ 4.5	\$ 584.0	\$ 3,330.5	\$ 3,921.5	\$ 464.2	\$ 4,385.7

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(EXPRESSED IN MILLIONS OF UNITED STATES DOLLARS, EXCEPT PER SHARE AMOUNTS)

1 DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Endeavour Mining plc (the "Company"), together with its subsidiaries (collectively, "Endeavour" or the "Group"), is a publicly listed gold mining company that operates seven mines in West Africa in addition to having project development and exploration assets. Endeavour is focused on effectively managing its existing assets to maximise cash flows as well as pursuing organic and strategic growth opportunities that benefit from its management and operational expertise.

Endeavour's corporate office is in London, England, and its shares are listed on the London Stock Exchange ("LSE") (symbol EDV), and on the Toronto Stock Exchange ("TSX") (symbol EDV) and quoted in the United States on the OTCQX International (symbol EDVMF). The Company is incorporated in the United Kingdom and its registered office is located at 5 Young Street, London, United Kingdom, W8 5EH.

Prior to its listing on the London Stock Exchange on 14 June 2021, Endeavour Mining Corporation ("EMC") was the parent company of the Group for which consolidated financial statements were produced. On 11 June 2021, the shareholders of EMC transferred all of their shares in EMC to Endeavour Mining plc in exchange for ordinary shares of equal value in Endeavour Mining plc (the "Reorganisation"). This resulted in Endeavour Mining plc, which was incorporated on 21 March 2021, becoming the new parent company for the Group. As a result of the Reorganisation, there was no change in the legal ownership of any of the assets of EMC or Endeavour Mining plc, nor any change in the ownership of existing shares or securities of EMC or Endeavour Mining plc. The financial information as at 31 December 2021 and for the year ended 31 December 2021 (and comparative information) is presented as a continuation of EMC.

2 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). All amounts presented in US dollars, except as otherwise indicated. References to C\$, Euro, CFA are to Canadian dollars, the Euro, and the Central African Franc, respectively.

These consolidated financial statements were approved by the Board of Directors of the Company on 17 March 2022.

The financial information for the year ended 31 December 2021 does not constitute the Company's statutory accounts for that year. The statutory accounts for the year ended 31 December 2021 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The auditors' report on the accounts for 31 December 2021 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

BASIS OF PREPARATION

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period (Note 8) as explained in the accounting policies below. The Group's accounting policies have been applied consistently to all periods in the preparation of these consolidated financial statements, except for the adoption of new accounting standards described in note 2(s) below.

GOING CONCERN

The directors have performed an assessment of whether the Company and Group would be able to continue as a going concern for at least until March 2023. In their assessment, the Group has taken into account its financial position, expected future trading performance, its debt and other available credit facilities, future debt servicing requirements, its working capital and capital expenditure commitments and forecasts.

At 31 December 2021, the Group's net cash position was \$76.2 million, calculated as the difference between long-term debt with a principal outstanding of \$830.0 million and cash of \$906.2 million. At 31 December 2021, the Group had undrawn credit facilities of \$500.0 million. The Group had current assets of \$1,366.0 million and current liabilities of \$567.1 million representing a total working capital balance (current assets less current liabilities) of \$798.9 million as at 31 December 2021. Cash generated from operating activities for the year ended 31 December 2021 was \$1,166.1 million.

Based on a detailed cash flow forecast prepared by management, in which it included any reasonable possible change in the key assumptions on which the cash flow forecast is based, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence until at least June 2023 and that at this point in time there are no material uncertainties regarding going concern. Key assumptions underpinning this forecast include consensus analyst gold prices and production volumes in line with annual guidance.

The Board is satisfied that the going concern basis of accounting is an appropriate assumption to adopt in the preparation of the consolidated financial statements as at and for the 12 months ended 31 December 2021.

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BASIS OF CONSOLIDATION

These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company ("Subsidiaries").

Control is achieved when the Company has (i) power over the investee; (ii) is exposed, or has rights, to variable returns from its involvement with the investee and (iii) has the ability to use its power to affect its returns. Subsidiaries are included in the consolidated financial results of the Group from the effective date of acquisition up to the effective date of disposition or loss of control. The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. For details of the Company's subsidiaries refer to note 22.

The following UK subsidiaries are exempt from the UK requirements relating to the audit of financial statements under section 479A of the Companies Act 2006:

Entity	Registration Number
Endeavour Management Services London Limited	10342431
Endeavour Mining Services LLP	OC425911

a. FOREIGN CURRENCY TRANSLATION

The presentation and functional currency of the Company is the US dollar. The individual financial statements of each subsidiary are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates at the date of the transaction.

b. BUSINESS COMBINATIONS

A business combination is defined as an acquisition of assets and liabilities that constitute a business and is accounted for using the acquisition method. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. A business consists of inputs, including non-current assets, and processes, including operational processes, that when applied to those inputs, have the ability to create outputs that provide a return to the Company and its shareholders. A business also includes those assets and liabilities that do not necessarily have all the inputs and processes required to produce outputs but can be integrated with the inputs and processes of the Company to create outputs. When acquiring a set of activities or assets in the exploration and development stage, which may not have outputs, the Company considers other factors to determine whether the set of activities or assets is a business.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports in its financial statements provisional amounts for the items for which the accounting is incomplete.

During this measurement period, if necessary, the Company will retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. During the measurement period, the Company will also recognise additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Company receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable and shall not exceed one year from the acquisition date.

The consideration transferred in a business combination is measured at its acquisition date fair value. The acquisition date is the date the Company obtains control over the acquiree, which is generally the date that consideration is transferred, and the Company acquires the assets and assumes the liabilities of the acquiree. The Company considers all relevant facts and circumstances in determining the acquisition date. When the consideration includes a contingent consideration arrangement, it is measured at its acquisition date fair value and included as part of the consideration. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. For those changes to the fair value of the contingent consideration which do not qualify as measurement period adjustments are remeasured at fair value at subsequent reporting dates with changes in fair value recognised in earnings, except for those classified as equity, which are not remeasured.

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Acquisition-related costs of the acquirer, other than costs to issue equity securities, are expensed as incurred. The costs to issue equity securities of the Company as consideration for the acquisition are reduced from share capital as share issue costs.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the Company's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction by transaction basis. All other components of non-controlling interests are measured at acquisition date fair values or, when applicable on the basis specified in another IFRS.

The excess of (i) total consideration transferred by the Company, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree, over the acquisition-date fair value of net assets acquired, is recorded as goodwill. If the acquisition-date fair value of net assets required exceeds the total of (i) total consideration transferred by the Company, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree, the excess is recognised immediately as a bargain purchase gain in the consolidated statement of comprehensive earnings/(loss).

Goodwill is not amortised; rather it is tested annually for impairment or at any time during the year that an indicator of impairment is identified.

c. DISCONTINUED OPERATIONS AND ASSETS AND LIABILITIES HELD FOR SALE

Non-current assets, or disposal groups, are classified as held for sale when it is highly probable that their carrying value will be recovered primarily through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Non-current assets and disposal groups are measured at the lower of their carrying amount and fair value less cost of disposal ("FVLCD"). Once non-current assets and disposal groups are recognised as held for sale they are no longer depreciated or amortised.

If the FVLCD is less than the carrying value of the non-current assets or disposal group on initial classification as held for sale, an impairment loss is recognised in the consolidated statement of comprehensive income/(loss). Any subsequent gains and losses on remeasurement are recognised in the consolidated statement of comprehensive income/(loss).

Non-current assets and liabilities and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

A discontinued operation is a component of the Group that can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations, or is a subsidiary acquired exclusively with a view to re-sale. A component is classified as a discontinued operation when it is disposed of, or when the operation meets the criteria to be classified as held for sale, whichever event occurs first. The results of discontinued operations are presented separately in the consolidated statement of comprehensive earnings/(loss). The cash flows attributable to the proceeds received on disposal of the discontinued operations are included in the investing activities of the continuing operations.

d. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, cash balances held with banks and brokers and highly liquid short-term investments with terms of three months or less. There were no material cash equivalents at 31 December 2021 and 31 December 2020.

Restricted cash consists of cash and cash equivalents unavailable for use by the Company or its subsidiaries due to certain restrictions that may be in place are classified as other financial assets.

e. INVENTORIES

Supplies are valued at the lower of weighted average cost and net realisable value. Any provision for obsolescence is determined by reference to specific inventory items identified. A regular and ongoing review is undertaken to establish the extent of surplus items and a provision is made for any potential loss upon disposal.

Finished goods, gold in circuit, and stockpiled ore are valued at the lower of weighted average production cost and net realisable value. Production costs include the cost of raw materials, direct labour, mine-site overhead expenses and depreciation and depletion of mining interests. Net realisable value is calculated as the estimated price at the time of sale based on prevailing metal prices less estimated future production costs to convert the inventories into saleable form.

Ore extracted from the mines is stockpiled and subsequently processed into finished goods in the form of doré bars. Production costs are capitalised and included in gold in circuit inventory based on the current mining costs incurred up to

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the point prior to the refining process, including applicable overhead, depreciation and depletion relating to mining interests, and removed at the weighted average production cost per recoverable ounce of gold. The production costs of finished goods represent the weighted average costs of gold in circuit inventories incurred prior to the refining process, plus applicable refining costs. Stockpiles are classified as non-current if the timing of their planned usage is longer than twelve months.

f. MINING INTERESTS

Mining interests include interests in mining properties and related plant and equipment. The cost of a mining interest or property acquired as an individual asset purchase or as part of a business combination represents its fair value at the date of acquisition.

Mining interests are classified as depletable when operating levels intended by management have been reached. Prior to this, they are classified as non-depletable mining properties.

Mining properties are recorded at cost less accumulated depletion and impairment losses.

Non-depletable mining interests include development stage projects as well as exploration and evaluation assets, which are comprised of those properties with mineral resources and exploration potential, often referred to as value beyond proven and probable reserves. When acquired as part of an asset acquisition or a business combination, the value associated with these assets are capitalised at cost, which represents the fair value of the assets at the time of acquisition determined by estimating the fair value of a mining interests mineral reserves, resources, and exploration potential at that date.

Capitalised costs associated with mining properties include the following:

- Costs of direct acquisitions of production, development and exploration stage properties;
- Costs attributed to mining properties acquired in connection with business combinations;
- Expenditures related to the development of mining properties;
- Expenditures related to economically recoverable exploration;
- Borrowing costs incurred directly attributable to the construction of qualifying assets;
- Certain costs incurred during production, net of proceeds from sales prior to reaching operating levels intended by management; and
- Estimates of reclamation and closure costs.

Drilling and related costs that are for general exploration, incurred on sites without an existing mine, or on areas outside the boundary of a known mineral deposit which contains proven and probable reserves are classified as greenfield exploration expenditures and are expensed as incurred. Drilling and related costs incurred to define and delineate a mineral deposit that has not been classified as proven and probable reserves at a development stage or production stage mine are classified as brownfield activities and are capitalised as part of the carrying amount of the related property in the period incurred, when management determines that there is sufficient evidence that the expenditure will result in a future economic benefit to the Group.

The carrying values of the Group's exploration and evaluation assets are carried at acquired costs until such time as the technical feasibility and commercial viability of extracting mineral resource from the assets is demonstrated, which occurs when the activities are designated as a development project and advancement of the project is considered economically feasible. At that time, the property and the related costs are reclassified as a development stage mining interest, though not yet subject to depletion, and remain capitalised. Prior to reclassification, the mining interest is assessed for impairment. Further exploration expenditures, subsequent to the establishment of economic feasibility, are capitalised and included in the carrying amount of the related property.

Borrowing costs are capitalised when they are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use or sale. Borrowing costs are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of the rates applicable to the relevant borrowings during the period. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Commercial production is deemed to have commenced when a mining interest can operate at levels intended by management. This is achieved when management determines that the operational commissioning of major mine and plant components is complete, operating results are being achieved consistently for a period of time and that there are indications that these operating results will continue.

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The Group determines commencement of commercial production based on the following factors:

- All major capital expenditures to bring the mine to the condition necessary for it to be capable for operating in the manner intended by management have been completed;
- The completion of a reasonable period of testing of the mine plant and equipment;
- The mine or mill has reached a pre-determined percentage of design capacity; and
- The ability to sustain ongoing production of ore.

The list is not exhaustive, and each specific circumstance is considered before making the decision.

Mining expenditure incurred to maintain current production are included in profit or loss, in current production areas development costs are considered as costs of sales given that the short-term nature of these expenditures matches the economic benefit of the ore being mined.

DEPLETABLE MINING INTERESTS

The carrying amounts of mining properties are depleted using the unit-of-production method over the estimated recoverable ounces, when operating levels intended by management for the mining properties have been reached. Under this method, depletable costs are multiplied by the number of ounces extracted divided by the estimated total ounces to be extracted in current and future periods based on proven and probable reserves and a portion of resources.

Management reviews the estimated total recoverable ounces contained in depletable reserves and resources each financial year and when events and circumstances indicate that such a review should be made. Changes to estimated total recoverable ounces contained in depletable reserves and resources are accounted for prospectively.

STRIPPING COSTS

Capitalisation of waste stripping requires the Group to make judgements and estimates in determining the amounts to be capitalised. In open pit mining operations, it is necessary to incur costs to remove overburden and other mine waste materials in order to access the ore body ("stripping costs"). During the development of a mine, stripping costs are capitalised and included in the carrying amount of the related mining property. During the production phase of a mine, stripping costs will be recognised as an asset only if the following conditions are met:

- It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of the ore body (mining phases) for which access has been improved; and
- The costs relating to the stripping activity associated with that component can be measured reliably.

Stripping costs incurred and capitalised during the development and production phase are depleted using the unit-of-production method over the reserves and, in some cases, a portion of resources of the area that directly benefit from the specific stripping activity. Costs incurred for regular waste removal that do not give rise to future economic benefits are considered as costs of sales and included in operating expenses.

PLANT AND EQUIPMENT AND ASSETS UNDER CONSTRUCTION

Plant and equipment are recorded at cost less accumulated depreciation and impairment losses. Plant and equipment are depreciated using the unit of production method based on ounces produced, or the straight-line method over the estimated useful lives of the related assets as follows:

- | | |
|---------------------------------|-------------|
| • Mobile equipment | 3 - 8 years |
| • Aircraft | 25 years |
| • Office and computer equipment | 3 - 5 years |

Right-of-use assets are depreciated over their expected useful lives on the same basis as owned assets, or, where shorter, the term of the relevant lease.

Where parts (components) of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment. Each asset or parts estimated useful life is determined considering its physical life limitations. This physical life of each asset cannot exceed the life of the mine at which the asset is utilised. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis

Amounts expended on assets under construction are capitalised until the asset becomes available for its intended use, at which time depreciation commences on the assets over its useful life. Repairs and maintenance of plant and equipment are expensed as incurred. Costs incurred to enhance the service potential of plant and equipment are capitalised and depreciated over the remaining useful life of the improved asset.

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Upon disposal or abandonment, the carrying amounts of mining interests and plant and equipment and accumulated depreciation and depletion are removed from the accounts and any associated gains or losses are recorded in profit or loss.

g. IMPAIRMENT OF MINING INTERESTS

At each reporting date, the Group reviews the carrying amounts of its mining interests to determine if any indicators of impairment exist. If any such indicators exist, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. The Group's CGU's are its significant mine sites and development projects. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of FVLCD and value in use. FVLCD is calculated as the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. In the absence of market information, this is determined based on the present value of the estimated future cash flows from the development, use, eventual disposal of the asset, or the price a third party is willing to pay for the asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or a cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Impairment losses reverse in some circumstances. When an impairment loss subsequently reverses, it is recognised immediately in profit or loss. The carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years.

The Group performs goodwill impairment tests annually in the fourth quarter or when events and circumstances indicate that the carrying amounts may no longer be recoverable. In performing the impairment tests, the Group estimates the recoverable amount of its cash-generating units that include goodwill and compares recoverable amounts to the cash-generating unit's carrying amount. If a cash-generating unit's carrying amount exceeds its recoverable amount, the Group reduces the carrying value of the cash-generating unit or group of cash-generating units by first reducing the carrying amount of the goodwill and then reducing the carrying amount of the remaining assets on a pro-rata basis. Impairment of goodwill cannot be reversed.

h. LEASES

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Group has the right to direct the use of the asset. At inception or on reassessment of a contract due to modification that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Group recognises a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

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- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to earnings/(loss) in the period incurred.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to earnings/(loss) on a straight-line basis over the lease term.

i. INCOME AND DEFERRED TAXES

The Group recognises current income tax in the consolidated statement of comprehensive earnings except to the extent that it relates to items recognised directly in equity. Current income tax is calculated on taxable income at the tax rate enacted or substantively enacted at the balance sheet date, and includes adjustments to tax payable or receivable in respect of previous periods.

The Group uses the liability method of accounting for income taxes. Under the liability method, deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and for unused tax losses and other income tax deductions. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill. A translation gain or loss may arise for deferred income tax purposes where the local tax currency is not the same as the functional currency for certain non-monetary items. A deferred tax asset or liability is recognised on the difference between the carrying amount for accounting purposes (which reflects the historical cost in the entity's functional currency) and the underlying tax basis (which reflects the current local tax cost, translated into the functional currency using the current foreign exchange rate). The translation gain or loss is recorded as deferred income tax in the statements of comprehensive income/(loss). Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply if the related assets are realised or the liabilities are settled. To the extent that it is probable that taxable profit will not be available against which deductible temporary differences can be utilised a deferred tax asset may not be recognised. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in earnings in the period in which the change is substantively enacted. Deferred tax assets and liabilities are considered monetary assets. Deferred tax balances denominated in currencies other than US dollars are translated into US dollars using current exchange rates at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Provision for uncertain tax positions is recognised within current tax when management determines that it is probable that a payment will be made to the tax authority. For such tax positions the amount of the probable ultimate settlement with the related tax authority is recorded. When the uncertain tax position gives rise to a contingent tax liability for which no provision is recognised, the Group discloses tax-related contingent liabilities and contingent assets in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

j. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ("FVTPL"). The directly attributable transaction costs of financial assets and liabilities classified as at FVTPL are expensed in the period in which they are incurred.

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Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

FINANCIAL ASSETS AT AMORTISED COST

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are classified and measured subsequently at amortised cost.

FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are classified and measured at FVTOCI.

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other OCI. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument, instead, it is transferred to retained earnings.

FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

By default, all other financial assets are measured subsequently at FVTPL. Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

IMPAIRMENT

The Group recognises a loss allowance for expected credit losses on its financial assets. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

FINANCIAL LIABILITIES AND EQUITY

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading, a derivative or designated as at FVTPL, are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss, unless it relates to capitalised interest which is recognised as part of mining interests. Financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expenses are recognised in earnings.

DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

EMBEDDED DERIVATIVES

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 are treated as separate derivatives when they meet the definition of a derivative.

k. ENVIRONMENTAL REHABILITATION PROVISIONS

The Group's mining and exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. The Group records a liability for the estimated future rehabilitation costs and decommissioning of its operating mines and development projects at the time the environmental disturbance occurs, or a constructive obligation is determined.

Environmental rehabilitation provisions are measured at the expected value of future cash flows including expected inflation and discounted to their present value using the current market assessment of the time value of money. The unwinding of the discount, referred to as accretion expense, is included in finance costs and results in an increase in the amount of the provision.

When provisions for closure and environmental rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of closure and environmental rehabilitation activities is recognised in mining interests and amortised over the expected useful life of the operation to which it relates.

Environmental rehabilitation provisions are updated annually for changes to expected cash flows and for the effect of changes in the discount rate, and the change in estimate is added or deducted from the related asset and depreciated over the expected useful life of the operation to which it relates.

l. PROVISIONS

Provisions are recorded when a present legal or constructive obligation arises as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance expense and included in finance costs in the statement of comprehensive earnings/(loss).

m. REVENUE RECOGNITION

Revenue from the sale of gold in bullion and doré bar form is recognised when the Group has transferred control of the gold to the customer at an amount reflecting the consideration the Group expects to receive in exchange for those products based on gold content determined prior to shipment, and is subsequently adjusted to reflect the final gold content determined by the customer. These adjustments have historically been insignificant. In determining whether the Group has satisfied a performance obligation, it considers the indicators of the transfer of control, which include, but are not limited to, whether: the Group has a present right to payment; the customer has legal title to the asset; the Group has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the asset. Control is transferred when the Group enters into a transaction confirmation for the transfer of gold which is either at the date at which the refining process is completed or at the point of shipment at the gold room at the mines. Revenue is measured at the transaction price agreed under the contracts, and is due immediately upon transfer of the gold to the customer.

n. SHARE CAPITAL

Ordinary or common shares are classified as share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

When the Company purchases its own share capital ("treasury shares"), the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from retained earnings/(deficit). If treasury shares are subsequently cancelled, the par value of the cancelled shares is credited to the capital redemption reserve. If treasury shares are subsequently re-issued, any consideration received, net of transaction costs, up to the amount paid to re-

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purchase the shares is treated as a realised profit reinstating the retained earnings used when the shares were repurchased. Any excess is included in share premium.

o. EARNINGS PER SHARE

Earnings per share calculations are based on the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is calculated using the treasury stock method, whereby the proceeds from the exercise of potentially dilutive common shares with exercise prices that are below the average market price of the underlying shares are assumed to be used in purchasing the Company's common shares at their average market price for the period.

p. SHARE-BASED PAYMENT ARRANGEMENTS

The Company's share-based payment arrangements include performance share units and deferred share units.

Deferred share units ("DSUs") are settled in cash upon exercise. DSUs are recognised as share-based payment expense on the date of grant, as these instruments vest immediately. Changes in fair value of DSU's at each reporting date are recognised as share-based payment expense in the period.

Performance share units ("PSUs") are settled in cash or shares of the Company. The fair value of the estimated number of PSUs that will eventually vest, determined at the date of grant, is recognised as share-based compensation expense over the vesting period, with a corresponding amount recorded as equity or a liability. The fair value of the PSUs is estimated using the market value of the underlying shares as well as assumptions related to the market and non-vesting conditions at the grant date. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Management re-evaluates the assumptions related to the non-market conditions periodically for changes in the number of options that are expected to ultimately vest.

Equity settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Company obtains the goods or the counterparty renders the service.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity reserve.

Cash settled share-based payments to employees and other providing similar services, such as PSUs and DSUs, are those where the employees or other has the contractual right to receive the share-based payment in cash upon exercise. Cash settled share-based payments to employees and other providing similar services are measured at the fair value of the instrument at the grant date and every reporting period, with changes in fair value recognised through profit or loss and a corresponding amount recorded as a liability.

Exchanges of share options or other share-based payment awards in conjunction with a business combination are accounted for as modifications of the share-based payments awards. Where the Company is obliged to replace the acquiree awards, either all or a portion of the market-based measure of the Company's replacement awards is included in measuring the consideration transferred in the business combination. In determining the portion of the replacement award that is part of the consideration transferred for the acquiree, both the replacement awards and the acquiree awards are measured at the acquisition date. The portion of the replacement awards that is included in measuring the consideration transferred in a business combination equals the market-based measure of the acquiree awards multiplied by the ratio of the portion of the vesting period completed to the greater of the total vesting period or the original vesting period of the acquiree award. The excess of the market-based measure of the replacement awards over the market-based measure of the acquiree awards included in measuring the consideration transferred is recognised as remuneration cost for post transaction service.

MERGER ACCOUNTING

Group reorganisations, including transfer of assets and liabilities and acquisition of companies within the Endeavour Mining plc group are accounted for using merger accounting. As a result, any assets and liabilities are transferred at carrying value rather than fair value. The difference between the carrying value of assets and liabilities transferred and the consideration paid has been recognised in the merger reserve.

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q. EMPLOYEE BENEFIT TRUST

The Employee Benefit Trust ("EBT") is considered to be a Special Purpose Entity and is accounted for under IFRS 10 and consolidated on the basis that the Company has control, thus the assets and liabilities of the EBT are included in the financial position and results of operations of the Group and the shares held by the EBT are presented as a deduction from equity.

r. DIVIDENDS

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the Board. For final dividends, this is when approved by the shareholders at AGM.

s. CHANGES IN ACCOUNTING STANDARDS

The Group has adopted the following new IFRS standard for the annual period beginning on 1 January 2021:

AMENDMENTS TO IFRS 9, IAS 39, IFRS 7, IFRS 4 AND IFRS 16 INTEREST RATE BENCHMARK REFORM - PHASE 2

On 27 August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2.

These amendments complement those made in 2019 ('IBOR – phase 1') and focus on the effects on entities when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The amendments in this final phase relate to:

- changes to contractual cash flows — a company will not have to derecognize or adjust the carrying amount of financial instruments for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- hedge accounting — a company will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and
- disclosures — a company will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

The impact of adoption of these amendments was not significant to the Group.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements that the Group reasonably expects will have an impact on its disclosures, financial position or performance when applied at a future date, are disclosed below. The Group intends to adopt these standards when they become effective. Other standards and interpretations that are issued, but not yet effective, which are not expected to impact the Group have not been listed.

AMENDMENTS TO IAS 16: PROCEEDS BEFORE INTENDED USE

In May 2020, the IASB issued amendments to IAS 16, Property, Plant and Equipment ("IAS 16"), which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The Group is currently evaluating the impact of adopting amendments to IAS 16 on its consolidated financial statements in future periods.

AMENDMENTS TO IFRS 3: BUSINESS COMBINATIONS

In May 2020, the IASB issued amendments to IFRS 3 to update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for a business combination, and amended IFRS 3 in respect of the specific requirements for transactions and other events within the scope of IAS 37 or IFRIC 12.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018. The Group is currently evaluating the impact of adopting amendments to IFRS 3 on its consolidated financial statements in future periods.

AMENDMENTS TO IAS 37: PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

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The amendments are effective for annual periods beginning on or after 1 January 2022 and must be applied prospectively to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed. The Group is currently evaluating the impact of adopting amendments to IAS 37 on its consolidated financial statements in future periods.

AMENDMENTS TO IFRS 1: CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

The IASB, at its meeting held in June 2021, tentatively decided to amend the requirements in IAS 1 with respect to the classification of liabilities subject to conditions and disclosure of information about such conditions and to defer the effective date of the 2020 amendment by at least one year to annual reporting periods beginning no earlier than on or after 1 January 2024.

AMENDMENTS TO IAS 1 AND IFRS PRACTICE STATEMENT 2: DISCLOSURE OF ACCOUNTING POLICIES

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendment is effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted as long as the fact is disclosed. The Group is evaluating the impact of adopting the amendments to IAS 1 on its consolidated financial statements in future periods.

AMENDMENTS TO IAS 8: DEFINITION OF ACCOUNTING ESTIMATES

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted. The Group is evaluating the impact of adopting the amendments to IAS 8 on its consolidated financial statements in future periods.

AMENDMENTS TO IAS 12: DEFERRED TAX RELATED TO ASSETS AND LIABILITIES ARISING FROM A SINGLE TRANSACTION

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023. An entity should apply the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, it should also recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The Group is evaluating the impact of adopting the amendments to IAS 12 on its consolidated financial statements in future periods.

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3 CRITICAL JUDGEMENTS AND KEY ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures. These assumptions, judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the consolidated financial statements. Management reviews its estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

CRITICAL JUDGEMENTS

The critical judgements that the Group's management has made in the process of applying the Group's accounting policies, that have the most significant effect on the amounts recognised in the Group's consolidated financial statements are as follows:

DETERMINATION OF ECONOMIC VIABILITY

Management has determined that exploratory drilling, evaluation and related costs incurred which have been capitalised are economically viable. Management uses several criteria in its assessments of economic viability and probability of future economic benefit including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

CAPITALISATION AND DEPRECIATION OF WASTE STRIPPING

Capitalisation of waste stripping requires the Group to make judgements and estimates in determining the amounts to be capitalised. These judgements and estimates include, amongst others, the expected life of mine stripping ratio for each separate open pit, the determination of what defines separate pits, and the expected ounces to be extracted from each component of a pit for which the stripping asset is depreciated.

INDICATORS OF IMPAIRMENT

The Group considers both internal and external information in its process of determining whether there are any impairment indicators on any of its assets. Management considers the following external factors to be relevant: Changes in the market capitalisation of the entity, changes in the long-term gold price expectations, or changes in the technological, market, economic or legal environment in which the entity operates, or in the market to which the asset is dedicated. Management considers the following internal factors to be relevant: changes in the estimates of recoverable ounces, significant movements in production costs and variances of actual production costs when compared to budgeted production costs, production patterns and whether production is meeting planned budget targets, changes in the level of capital expenditures required at the mine site, changes in the expected cost of dismantling assets and restoring the site, particularly towards the end of a mine's life. The Group also considers certain judgements on future events, specifically if the Group will continue with development of certain exploration and evaluation assets. Refer to note 6 for details of impairment assessments performed during the year.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The Group needs to apply judgment when determining whether an asset or disposal group should be classified as held for sale. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition and its sale must be highly probable. The following factors are considered by management in determining whether a sale is highly probable: management must be committed to a plan to sell the asset or disposal group; an active program to locate a buyer and complete the plan must have been initiated; the asset must be actively marketed for sale at a reasonable price; and the sale should be expected to be completed within 12 months of classification of the asset or disposal group as held for sale. Based on the above factors, management considered that the Agbaou mine was an asset held for sale at December 31, 2020. Management evaluated the above criteria with respect to the Karma mine at 31 December 2021 and 2020 and concluded that it was not an asset held for sale on these dates (Note 26), as the sale of Karma was not considered highly probable. However, given management's intention to dispose of the asset, management considered this to be an indicator of impairment for the Karma mine, and in determining the recoverable value of the asset, the estimated future cash flows reflects the intention to dispose of the asset (Note 6).

Judgement is required when determining whether a component of an entity classifies as a discontinued operation. A component of the Group should be classified as a discontinued operation when it has been disposed of, or if it is classified as held for sale, and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Judgement is required when determining whether the component represents a separate major line of business or geographical area of operations. This was applied to the classification of the Agbaou mine as a discontinued operation for the full FY-2020 period and for the period up until its disposal in FY-2021. The Agbaou mine is considered a major geographical area of operations which has been reported as a separate segment in the past, and as such we have determined the classification of a discontinued operation to be appropriate.

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KEY ESTIMATES

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Group's assets and liabilities are as follows:

FAIR VALUE OF ASSETS ACQUIRED AND LIABILITIES ASSUMED

When the Company obtains control of a business the business combination is accounted for using the acquisition method of accounting. By applying this method all assets acquired and liabilities assumed are to be measured at fair value at acquisition date. The excess of the purchase consideration over the fair value of the net assets and liabilities acquired (if any) is recognised as goodwill. Goodwill recognised as a part of a business combination is allocated to the cash generating units ("CGUs") in the Group based on their expected benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those CGUs. If the fair values of the net assets and liabilities assumed are more than the purchase consideration, the excess is recognised as a bargain purchase gain in the statement of comprehensive earnings/(loss). The determination of fair value often requires management to make estimates and assumptions regarding future events which include, but are not limited to, future gold prices, projected production levels, life of mine plans, future reserves and resources, operating costs, capital expenditures, and discount rates (Note 5).

RECOVERABILITY OF VALUE ADDED TAX ("VAT")

Included in trade and other receivables are recoverable VAT balances owing mainly by the fiscal authorities in Burkina Faso, Senegal, and Côte d'Ivoire. The Group is following the relevant process in each country to recoup the VAT balances owing and continues to engage with authorities to estimate if all amounts are recoverable and to accelerate the repayment of the outstanding VAT balances.

OTHER FINANCIAL ASSETS

Included in other financial assets is consideration received upon the sale of the Agbaou mine of \$40.0 million related to shares of Allied Gold Corp Limited ("Allied") (Note 5). The Group has the option to sell the shares back to Allied at the issue price until the earlier of Allied completing an initial public offering transaction ("IPO") or 31 December 2022. In evaluating the fair value of the shares, management determined that there is no indication of a significant change in the fair value of the shares since their acquisition in March 2021. Management will continue to monitor the results of operations of Allied, as well as the likelihood of an initial public offering, to evaluate if there is a change in the fair value of the Allied shares, or in the resulting \$40.0 million receivable, if the option to sell back the shares is exercised by the Group.

IMPAIRMENT OF MINING INTERESTS AND GOODWILL

In determining the recoverable amounts of the Group's mining interests and goodwill, management makes estimates of the discounted future cash flows expected to be derived from the Group's mining properties, costs to sell the mining properties and the appropriate discount rate. The projected cash flows are significantly affected by changes in assumptions about gold's selling price, future capital expenditures, changes in the amount of recoverable reserves, resources, and exploration potential, production cost estimates, discount rates and exchange rates. Reductions in gold price forecasts, increases in estimated future costs of production, increases in estimated future non-expansionary capital expenditures, reductions in the amount of recoverable reserves, resources, and exploration potential, and/or adverse current economics can result in a write-down of the carrying amounts of the Group's mining interests and/or goodwill (Note 6, 13).

ESTIMATED RECOVERABLE OUNCES

The carrying amounts of the Group's mining interests are depleted based on the estimated recoverable ounces for each mine. Changes to estimates of recoverable ounces due to revisions to the Group's mine plans and changes in gold price forecasts can result in a change to future depletion rates.

MINERAL RESERVES

Mineral reserves and mineral resources are determined in accordance with Canadian Securities Administrator's National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mineral reserve and resource estimates include numerous estimates. Such estimation is a subjective process, and the accuracy of any mineral reserve or resource estimate is dependent on the quantity and quality of available data and on the assumptions made and judgements used in engineering and geological interpretation. Changes to management's assumptions including economic assumptions such as gold prices and market conditions could have a material effect in the future on the Group's financial position and results of operations.

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ENVIRONMENTAL REHABILITATION COSTS

The provisions for rehabilitation are based on the expected costs of environmental rehabilitation and inputs used to determine the present value of such provisions and the related accretion expense using the information available at the reporting date. To the extent the actual costs differ from these estimates, adjustments will be recorded and the profit or loss and future cash flows may be impacted.

INVENTORIES

The measurement of inventory and the determination of net realisable value involves the use of estimates. This is especially the case when determining the net realisable value of stockpiles. Estimation is required when determining completion costs to bring the stockpile inventory to a condition ready for sale, total tonnes included in the stockpiles and the recoverable gold contained therein. Other estimates include future gold prices, long and short term usage, recovery rates, production cost forecasts and production plans.

Estimation is also required when determining whether to recognise a provision for obsolete stock, in particular as it relates to the amount of time the stock has been on hand and whether there are alternative uses for the consumables prior to recognising a provision for stock.

CURRENT INCOME TAXES

The Group operates in numerous countries, and accordingly it is subject to, and pays annual income taxes under the various income tax regimes in the countries in which it operates. Significant judgement is required in the interpretation or application of certain tax rules when determining the provision for income taxes due to the complexity of the legislation. From time to time the Group is subject to a review of its income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Group's business conducted within the country involved. Management evaluates each of the assessments and recognises a provision based on its best estimate of the ultimate resolution of the assessment, through either negotiation or through a legal or arbitral process. In the event that management's estimate of the future resolution of these matters change over time, the Group will recognise the effects of the changes in its consolidated financial statements in the period that such changes occur (Note 26).

4 CORPORATE COSTS

The following table summarises the significant components of corporate costs:

	YEAR ENDED	
	31 December 2021	31 December 2020
London Stock Exchange listing expenses	12.6	—
Employee compensation	24.9	14.2
Professional services	9.5	2.9
Other corporate expenses	15.5	6.6
Total corporate costs	\$ 62.5	\$ 23.7

The following table summarises total audit and non-audit fees incurred:

	YEAR ENDED	
	31 December 2021	31 December 2020
Audit services ¹	1.9	1.5
Audit-related assurance services	0.3	0.1
Non-audit services ²	1.5	—
Total	3.7	1.6

¹ Audit services are in respect of audit fees for the Group

² Non-audit services comprise non-recurring fees paid to the auditors in respect of the London listing, prospectus filings in Canada, as well as the offering of the Senior Notes.

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5 ACQUISITIONS AND DIVESTITURES

In the year ended 31 December 2021, the Group incurred \$29.5 million (for the year ended 31 December 2020 - \$39.8 million) of acquisition and restructuring related costs relating to advisory, legal, valuation and other professional fees, primarily with respect to the acquisition of Teranga Gold Corporation ("Teranga"), the disposal of the Agbaou CGU and the acquisition of SEMAFO Inc ("SEMAFO"). These costs are expensed as acquisition and restructuring costs within the consolidated statement of comprehensive earnings.

a. ACQUISITION OF TERANGA

On 10 February 2021, the Group completed the acquisition of Teranga. Teranga was a Canadian-based gold mining company listed on the TSX and in the United States on the OTCQX market with two operating mines in West Africa: the Sabodala-Massawa Gold Complex ("Sabodala-Massawa") in Senegal and the Wahgnion Gold Mine ("Wahgnion") in Burkina Faso. In addition, Teranga had a number of early to advanced stage exploration properties in Burkina Faso, Côte d'Ivoire and Senegal. The acquisition of Teranga supports the Group's growth strategy and enhances the Group's production profile.

Under the terms of the agreement, the Group acquired 100% of the issued and outstanding shares of Teranga at an exchange rate of 0.47 of an Endeavour share for each Teranga share held which resulted in a total of 78.8 million shares issued upon closing of the acquisition. Given the issuance of Endeavour common shares as a result of the transaction and the relative voting rights of the Endeavour and Teranga shareholders subsequent to the transaction being completed, Endeavour has been identified as the acquirer and has accounted for the transaction as a business combination.

Following the acquisition of Teranga, La Mancha Holding S.à.r.l. ("La Mancha") exercised its anti-dilution right to maintain its interest in the Group and completed a \$200.0 million private placement for 8,910,592 shares of Endeavour (Note 7).

The Group retained an independent appraiser to determine the fair value of the assets acquired and liabilities assumed, using income, market and cost valuation methods. The excess of total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill, which is not deductible for tax purposes. The goodwill balance is attributable to the recognition of a deferred tax liability from the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The non-controlling interest is measured at its proportionate share of the fair value of net assets.

The fair values of the mining interests acquired were estimated using discounted cash flow models, where the expected future cash flows are based on estimates of future gold prices, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on the life of mine plans at the acquisition date.

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The consideration and allocation to the value of assets acquired and liabilities assumed are as follows:

	Notes	Preliminary purchase price allocation at 31 March 2021	Adjustments	Final purchase price allocation
Purchase price:				
Fair value of 78.8 million Endeavour common shares issued		1,678.3		1,678.3
Fair value of Endeavour options issued		30.4		30.4
Fair value of Endeavour warrants and call-rights issued		41.5		41.5
		\$ 1,750.2	\$ —	\$ 1,750.2
Net assets/(liabilities) acquired				
Cash		27.0	—	27.0
Net working capital (excluding inventory)		(125.5)	(6.9)	(132.4)
Inventory		239.0	(0.3)	238.7
Mining interests		2,528.5	245.3	2,773.8
Other long-term assets		2.0	—	2.0
Goodwill	13	190.7	(95.9)	94.8
Debt		(358.9)	—	(358.9)
Income taxes payable		(100.0)	23.1	(76.9)
Offtake liability		(49.7)	—	(49.7)
Contingent consideration	17	(45.6)	—	(45.6)
Reclamation liability		(38.1)	—	(38.1)
Other liabilities acquired		(9.6)	—	(9.6)
Deferred taxes		(323.0)	(106.0)	(429.0)
Non-controlling interest		(186.6)	(59.3)	(245.9)
Net Assets		\$ 1,750.2	\$ —	\$ 1,750.2

During the fourth quarter of 2021, the Group finalised the fair values of certain assets acquired and liabilities assumed in the acquisition, in particular as it relates to mining interests, and liabilities with respect to certain income tax positions and these adjustments to the allocation of the purchase consideration has been recognised retrospectively and comparative information has been revised. In particular, as part of the finalisation of the purchase price allocation, management re-evaluated its life of mine plans for the Sabodala-Massawa and Wahgnion mines, and the expected ounces to be produced over the life of mine, as well as certain uncertain tax positions, which resulted in a change in their fair values. As a result of the above adjustments, the deferred tax liabilities were also adjusted to reflect the tax impact of these changes.

Depletion expense for the nine months ended 31 December 2021 was increased retrospectively by \$0.2 million and operating costs were increased retrospectively by \$24.6 million to reflect the change in the value of the mining interests and inventory upon determination of the final purchase price allocation.

The significant assumptions used in the determination of the fair value of the mining interests were as follows:

Assumption	Sabodala-Massawa	Wahgnion
Gold price - 2021 to 2024	\$1,900 to \$1,600 per ounce	\$1,900 to \$1,600 per ounce
Long-term gold price	\$1,600 per ounce	\$1,600 per ounce
Discount rate	5.6 %	7.0 %
Mine life	14 years	10 years
Average grade over life of mine	1.97 g/t	1.57 g/t
Average recovery rate	89 %	92 %

On 31 March 2021, the Group settled the full amount outstanding under the gold off-take liability which resulted in a cash outflow of \$49.7 million.

Consolidated revenue for the year ended 31 December 2021 includes revenue from the date of acquisition from the assets acquired in the acquisition of Teranga of \$926.0 million. The consolidated earnings for the year ended 31 December 2021 includes net earnings before tax from the date of acquisition from the assets acquired in the acquisition of Teranga of \$248.1 million. Had the transaction occurred on 1 January 2021, the pro forma consolidated revenue and

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net earnings before taxes for the year ended 31 December 2021 would have been approximately \$2,840.8 million and \$326.1 million respectively.

b. ACQUISITION OF SEMAFO

On 1 July 2020, the Group completed the acquisition of SEMAFO. SEMAFO was a gold mining company listed on the TSX with two operating mines in West Africa: the Mana and Boungou mines in Burkina Faso as well as certain exploration stage assets. The acquisition of SEMAFO supported the Group's growth strategy and enhanced the Group's production profile.

Under the terms of the transaction, the Group acquired 100% of the issued and outstanding shares of SEMAFO at an exchange rate of 0.1422 Endeavour share for each outstanding SEMAFO share, which resulted in the issuance of 47.6 million common shares of Endeavour. Given the issuance of Endeavour common shares as a result of the transaction, the relative voting rights of the Endeavour and SEMAFO shareholders subsequent to the transaction being completed, Endeavour has been identified as the acquirer and has accounted for the transaction as a business combination.

The Group retained an independent appraiser to determine the fair value of the assets acquired and liabilities assumed, using income, market and cost valuation methods. The excess of total consideration over the estimated fair value of the amounts assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill, which is not deductible for tax purposes. The goodwill balance is attributable to the recognition of a deferred tax liability from the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The non-controlling interest is measured at its proportionate share of the fair value of net assets.

The fair values of the mining interests acquired were estimated using discounted cash flow models, where the expected future cash flows are based on estimates of future gold prices, estimated quantities of ore reserves and mineral resources, expected future production costs and capital expenditures based on the life of mine plans at the acquisition date.

The consideration and allocation to the value of assets acquired and liabilities assumed are as follows:

	Notes	Preliminary purchase price allocation at 31 December 2020	Adjustments	Final purchase price allocation
Purchase price:				
Fair value of 47.6 million Endeavour common shares issued		1,151.3	—	1,151.3
		\$ 1,151.3	\$ —	\$ 1,151.3
Net assets/(liabilities) acquired				
Cash		93.0	—	93.0
Net working capital acquired (excluding cash)		108.0	0.6	108.6
Mining interests		1,319.6	13.0	1,332.6
Goodwill	13	98.7	(27.2)	71.5
Restricted cash		24.0	—	24.0
Other long-term assets		7.5	—	7.5
Current portion of long-term debt		(29.8)	—	(29.8)
Lease liabilities		(24.0)	—	(24.0)
Income taxes payable		(36.1)	16.3	(19.8)
Other long-term liabilities		(40.7)	9.1	(31.6)
Deferred tax		(262.7)	(9.6)	(272.3)
Non-controlling interest		(106.2)	(2.2)	(108.4)
Net Assets		\$ 1,151.3	\$ —	\$ 1,151.3

During the second quarter of 2021, the Group finalised the fair values of certain assets acquired and liabilities assumed in the acquisition, in particular as it relates to mining interests, and liabilities with respect to certain income tax positions and these adjustments to the allocation of the purchase consideration has been recognised retrospectively and comparative information has been revised. In particular, as part of the finalisation of the purchase price allocation, management re-evaluated its life of mine plans for the Mana and Boungou mines, and the expected ounces to be produced over the life of mine, which resulted in a change in their fair values. As a result of the above adjustments, the deferred tax liabilities were also adjusted to reflect the tax impact of these changes.

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The significant assumptions used in the determination of the fair value of the mining interests were as follows:

Assumption	Mana	Bougou
Gold price – 2020 to 2025	\$1,550 to \$1,883 per ounce	\$1,550 - \$1,865 per ounce
Long-term gold price	\$1,485 per ounce	\$1,485 per ounce
Discount rate	6.00 %	6.50 %
Mine life	9.5 years	14 years
Average grade over life of mine	3.25 g/t	3.58 g/t
Average recovery rate	88 %	94 %

As a result of the change in the fair values of the mining interests, depletion expense for the three months ended 31 March 2021 was increased retrospectively by \$9.3 million. For the six months ended 31 December 2020, the depletion expense was decreased retrospectively by \$8.3 million to reflect the change in the value of the mining interests upon determination of the final purchase price allocation.

c. DISCONTINUED OPERATIONS

On 1 March 2021, the Group completed the sale of its 85% interest in the Agbaou mine CGU to Allied. The consideration upon sale of the Agbaou mine included (i) a cash payment of \$16.4 million (net of working capital adjustments of \$3.6 million upon closing), of which \$10.5 was received in the year ended 31 December 2021 (Note 14); (ii) \$40.0 million in Allied shares of which Endeavour has the option to sell the shares back to Allied at the issue price which expires on 31 December 2022 or earlier if Allied conducts an IPO before then; (iii) contingent consideration of up to \$20.0 million comprised of \$5.0 million payments for each quarter in 2021 where the average gold price exceeds \$1,900 per ounce; and (iv) a net smelter royalty ("NSR") on ounces produced in excess of the Agbaou reserves estimated as at 31 December 2019. The NSR royalty is based on a sliding scale, linked to the average spot gold price as follows: 2.5% if the gold price is at least \$1,400 per ounce, 2% if the gold price is at least \$1,200 per ounce and less than \$1,400 per ounce, 1% if the gold price is at least \$1,000 per ounce and less than \$1,200 per ounce, and 0% if the gold price is below \$1,000 per ounce.

The fair value of the various aspects of the consideration at the closing date were as follows (all of which, except for the cash, are classified as Level 3 fair value measurements):

- The cash was determined to have a fair value of \$16.4 million, which is the agreed upon \$20.0 million, net of working capital adjustments on closing;
- The fair value of the Allied shares was determined to be \$40.0 million based on the value of the option to sell back the shares, as well as the most recent share issuances of Allied shares with other arm's length parties;
- The fair value of the contingent consideration based on the gold price was estimated using a Monte Carlo simulation model using the following key inputs: spot price of gold of \$1,723 per ounce, annualised gold price volatility of 18.36%, for each of the quarters in 2021, which resulted in a fair value of \$0.5 million; and
- The fair value of the NSR was estimated using probability-weighted scenarios with respect to discounted cash flow models for future production that might exceed the Agbaou reserves at 31 December 2019. Based on the various scenarios considered, the fair value of the NSR was \$5.5 million.

The results of operations have been restated for the comparative periods to reclassify the loss relating to Agbaou as loss from discontinued operations. The financing cash flows from discontinued operations for the year ended 31 December 2021 include the payment of dividends to minority shareholders of \$45.2 million (year ended 31 December 2020 - \$7.7 million). As at 31 December 2020, the net assets of the Agbaou CGU were classified as held for sale.

At 31 December 2021, the fair value of the Allied shares remained \$40.0 million, the NSR was revalued to \$6.0 million and the fair value of the contingent consideration was \$nil, resulting in a gain of \$0.5 million and a loss of \$0.5 million recognised in other expenses for the year ended 31 December 2021.

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The Corporation recognised a loss on disposal of \$13.6 million, net of tax, calculated as follows:

	1 March 2021
Cash proceeds	16.4
Shares in Allied Gold	40.0
Contingent consideration	0.5
Net smelter royalty	5.5
Transaction costs	(0.5)
Total proceeds	\$ 61.9
Cash and cash equivalents	15.2
Restricted cash	6.3
Trade and other receivables	0.3
Prepaid expenses and other	2.0
Inventories	29.4
Mining interests	65.0
Other long term assets	8.8
Total assets	\$ 127.0
Trade and other payables	(22.1)
Other liabilities	(26.4)
Total liabilities	\$ (48.5)
Net assets	\$ 78.5
Non-controlling interests	(3.0)
Net assets attributable to Endeavour	\$ 75.5
Loss on disposition	\$ (13.6)

The earnings and loss for the CGU was as follows:

	YEAR ENDED	
	31 December 2021	31 December 2020
Revenue	25.4	184.5
Operating costs	(14.2)	(84.9)
Impairment of mining interests	—	(19.9)
Depreciation and depletion	—	(38.3)
Royalties	(1.4)	(10.4)
Other income	0.1	2.7
Loss on disposition	(13.6)	—
Loss before taxes	\$ (3.7)	\$ 33.7
Deferred and current income tax expense	—	(55.5)
Net comprehensive loss from discontinued operations	\$ (3.7)	\$ (21.8)
Attributable to:		
Shareholders of Endeavour Mining Corporation	(5.2)	(22.8)
Non-controlling interest	1.5	1.0
Total comprehensive loss from discontinued operations	\$ (3.7)	\$ (21.8)
Net loss per share from discontinued operations		
Basic	\$ (0.02)	\$ (0.17)
Diluted	\$ (0.02)	\$ (0.17)

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6 IMPAIRMENT OF MINING INTERESTS

FOR THE YEAR ENDED 31 DECEMBER 2021

During the fourth quarter of 2021, the Group performed a review for indicators of impairment at each of the CGUs and evaluated key assumptions such as significant revisions to the mine plan including current estimates of recoverable mineral reserves and resources, recent operating results, future expected production based on the reserves. In addition, those CGU's to which goodwill has been allocated are tested at least annually for impairment (Note 13). As a result of the above, the Sabodala-Massawa, Mana, Boungou and Karma CGUs were tested for impairment at 31 December 2021. There were no other indicators of impairment identified at the Group's other mine site CGU's in the year.

The recoverable amount of the Mana, Boungou and Sabodala-Massawa CGUs were based on the future after-tax cash flows expected to be derived from the Group's mining interests and represents the FVLCD, a Level 3 fair value measurement. The projected cash flows used in impairment testing are significantly affected by changes in assumptions for metal prices, changes in the amount of recoverable reserves, resources, and exploration potential, production costs estimates, capital expenditures estimates, and discount rates. The Group's impairment testing incorporated the following key assumptions: The estimates used for gold prices, and the discount rate which represented the Group's weighted average cost of capital and which included estimates for risk-free interest rates, market value of the Group's equity, market return on equity, share volatility and debt-to-equity financing ratio.

Key assumptions used in the FVLCD calculations:

Assumption	Mana		Boungou		Sabodala-Massawa
Gold price	\$	1,800	\$	1,800	\$ 1,800
Long-term gold price	\$	1,600	\$	1,600	\$ 1,600
Mine life		10 years		10 years	17 years
Discount rate		6.9 %		7.7 %	5.5 %

A sensitivity analysis was performed to identify the impact of changes in the key assumption to the impairment analysis, which include metal prices, discount rate, operating expenses, and capital expenditures. The below table outlines the impact on the Mana and Sabodala-Massawa impairment models by applying sensitivities to the key inputs noted below:

Mana

Assumption	Change in fair value	
Decrease in metal prices of 5%	\$	(97.5)
Increase in discount rate of 2%	\$	(57.0)
Increase in operating expenditures of 5%	\$	(48.0)
Increase in capital expenditure of 5%	\$	(17.9)

Based on the sensitivity analysis performed on key assumptions above, no reasonably possible change in the key assumptions would cause the carrying value to exceed its recoverable amount.

Sabodala-Massawa

Assumption	Change in fair value	
Decrease in metal prices of 5%	\$	(212.7)
Increase in discount rate of 2%	\$	(221.5)
Increase in operating expenditures of 5%	\$	(84.0)
Increase in capital expenditure of 5%	\$	(20.0)

Using the assumptions noted above the headroom of the FVLCD over and above the carrying value of the cash generating unit is approximately \$14.0 million. This is expected given the Sabodala-Massawa CGU was acquired in February 2021. Based on the sensitivity analysis performed on the key assumptions above, a decrease in metal prices, an increase in discount rate, increase in operating expenditures or increase in capital spend would reduce the headroom and result in the carrying value of the cash generating unit exceeding the recoverable value of the mining interest resulting in an impairment.

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IMPAIRMENT OF BOUNGOU MINE

During the year ended 31 December 2021, the Bounbou mine experienced higher costs and lower than expected grades at its mine relative to expectations and the prior year. In developing a revised life of mine plan, management lowered its production estimates in comparison with prior expectations, increased its cost structure to reflect the lower grades and ounces being recovered as well as the increased operating costs of the mine, mainly due to increased spend on security, and reflected the reduced confidence in estimated resource to reserve conversion and exploration potential of the mine from that which was estimated on acquisition.

Given the decrease in the cash flows of the Bounbou mine expected in the latest life of mine plan, the Group concluded that there was an impairment at the Bounbou CGU at 31 December 2021, as the Group concluded that the recoverable amount of the Bounbou CGU, representing its FVLCD, was below the carrying amount, and recognised a non-cash impairment of \$246.3 million, of which \$31.9 million related to the goodwill, and the remainder related to the mining interests.

A sensitivity analysis was performed to identify the impact of changes in the metal prices, discount rate, operating expenditure, and capital expenditure which are the determined to be the key assumption to the impairment analysis. The below table outlines the impact on the Bounbou impairment by applying sensitivities to the key inputs noted below:

Assumption	Change in fair value
Decrease in metal prices of 5%	\$ (55.0)
Increase in discount rate of 2%	\$ (24.3)
Increase in operating expenditures of 5%	\$ (33.5)
Increase in capital expenditure of 5%	\$ (1.5)

IMPAIRMENT OF KARMA MINE

An impairment assessment was completed to recognise the Karma CGU at the lower of its carrying value and FVLCD. The FVLCD was valued using a market-based valuation approach based on the expected fair value of the consideration to be received upon closing of the disposal of \$25.0 million, which resulted in an impairment of the mining interests at December 31, 2021 of \$11.7 million. The fair value of the various aspects of the expected consideration were as follows (all of which, except for the cash, are classified as Level 3 fair value measurements):

- The net cash proceeds of \$5.0 million, which consists of \$10.0 million received prior to closing in the form of reimbursement of intercompany loans, net of working capital adjustments of \$5.0 million;
- A deferred cash payment to be paid six months after closing with a fair value of \$5.0 million;
- A contingent payment of up to \$10.0 million, payable twelve months after closing, based on a sliding scale linked to the average gold price. The fair value of the contingent consideration was estimated using a Monte Carlo simulation model using the following key inputs: spot price of gold of \$1,829 per ounce, annualised gold price volatility of 14.8%, for each of the quarters in 2022, which resulted in a fair value of \$5.0 million; and
- A 2% NSR royalty on all ounces produced in excess of 160k oz of recovered gold from 1 January 2022. The fair value of the NSR was estimated using probability-weighted scenarios with respect to discounted cash flow models for future production that might exceed the Karma reserves at 1 January 2022. Based on the various scenarios considered, the fair value of the NSR was \$10.0 million.

IMPAIRMENT OF EXPLORATION ASSETS

During the year ended 31 December 2021, the Group performed a review for indicators of impairment of all exploration and evaluation assets in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources*. Exploration permits have been assessed as to whether the permits were in good standing and/ or any further activity was planned. As a result, an impairment charge of \$1.4 million has been recognised against various exploration properties.

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During the fourth quarter of 2020, the Group performed a review for indicators of impairment at each of the cash generating units and evaluated key assumptions such as significant revisions to the mine plan including current estimates of recoverable mineral reserves and resources, recent operating results, future expected production based on the reserves which led to an indicator of impairment of the Karma CGU, discussed below. There were no other indicators of impairment identified at the Group's other mine site CGU's in the year.

IMPAIRMENT OF KARMA MINE

During the year ended December 31, 2020, the Group recorded an impairment charge on non-current assets of \$44.6 million recognised at the Karma Mine.

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KEY ASSUMPTIONS

The recoverable amounts of the Karma CGU were based primarily on the future after-tax cash flows expected to be derived from the Group's mining interests and represents the FVLCD, a Level 3 fair value measurement. The projected cash flows used in impairment testing are significantly affected by changes in assumptions for metal prices, changes in the amount of recoverable reserves, resources, and exploration potential, production costs estimates, capital expenditures estimates, and discount rates. The Group's impairment testing incorporated the following key assumptions: The estimates used for gold price was an average of \$1,751 per ounce over the three-year remaining life of the mine. Projected cash flows were discounted using a discount rate of 7.8% which represented the Group's weighted average cost of capital and which included estimates for risk-free interest rates, market value of the Group's equity, market return on equity, share volatility and debt-to-equity financing ratio.

IMPAIRMENT OF EXPLORATION ASSETS

During the year ended December 31, 2020, the Group performed a review for indicators of impairment of all exploration and evaluation assets in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources*. Exploration permits have been assessed as to whether the permits were in good standing and/ or any further activity was planned. As a result, an impairment charge of \$19.9 million has been recognised against various exploration properties.

7 SHARE CAPITAL

SHARE CAPITAL

	2021		2020	
	Number	Amount	Number	Amount
Ordinary share capital				
Opening balance	163.0	16.4	109.9	11.0
Consideration on the acquisition of subsidiary	78.8	7.9	47.6	4.8
Shares issued on private placement	8.9	0.9	4.5	0.5
Shares issued on exercise of options and PSU's	2.7	0.1	1.1	0.1
Cancellation of treasury shares	(5.4)	(0.3)	(0.1)	—
Reorganisation	—	(22.5)	—	—
Balance as at 31 December	248.0	\$ 2.5	163.0	\$ 16.4
Deferred share capital				
Opening balance	—	—	—	—
Shares issued upon capitalisation of the merger reserve	4,450.0	4,450.0	—	—
Shares cancelled	(4,450.0)	(4,450.0)	—	—
Balance as at 31 December	—	\$ —	—	\$ —
Total share capital		\$ 2.5		\$ 16.4

a. ISSUED SHARE CAPITAL AS AT 31 DECEMBER 2021

248.0 million ordinary voting shares of \$0.01 par value

- On 29 September 2021, the Company capitalised \$4.5 billion of its merger reserve and applied the amount in full to allot 4.5 billion new deferred shares with a par value of \$1.00 each. On 5 October 2021, the Company cancelled all the deferred shares outstanding and the full amount of deferred share capital of \$4.5 billion was reclassified to retained earnings.
- On 11 June 2021, the Company completed its reorganisation, whereby it issued 250.5 million common shares with a par value of \$0.01 per share in exchange for 100% of the issued and outstanding shares of EMC. As part of the reorganisation, the various management incentive plans (including PSUs and options), as well as the outstanding share warrants and call-rights were also transferred to Endeavour Mining plc. As part of the group reorganisation, a merger reserve was created equal to a value of \$4.9 billion which represents the difference between the nominal value of shares in the new parent Company, Endeavour Mining plc, and the aggregate of the share capital, share premium account and equity reserve of the prior parent company, EMC.
- On 22 March 2021, the Company commenced a share buyback programme under which the Company is able to acquire up to 12.2 million of its outstanding ordinary shares, which represents up to 5% of the total issued and outstanding ordinary shares as of 16 March 2021 for a period of one year. During the year ended 31 December 2021, the Company had repurchased a total of 6.0 million shares at an average price of \$22.98 for a total amount of

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\$137.9 million. 0.6 million shares were repurchased but not yet cancelled as at 31 December 2021. The shares were subsequently cancelled in January 2022.

- During the year ended 31 December 2021, the Company acquired 0.6 million outstanding common shares from certain employees of the Group through an employee benefit trust (note 17). An amount of \$14.2 million has been included in the statement of changes in equity as a reduction in equity attributable to the shareholders together with other purchases and cancellations of the Company's own shares.
- On 30 March 2021, La Mancha exercised its anti-dilution right related to the acquisition of Teranga, to maintain its interest in the Company and completed a \$200.0 million private placement for 8.9 million shares of Endeavour. Upon completion of the private placement, La Mancha's future anti-dilution rights were extinguished. La Mancha's ownership of Endeavour was 19.0% at 31 December 2021 (31 December 2020 – 24.1%).
- On 10 February 2021, the Group completed the acquisition of Teranga. Under the terms of the transaction, the Group acquired 100% of the issued and outstanding shares of Teranga at an exchange rate of 0.47 Endeavour shares for each outstanding Teranga share, which resulted in the issuance of 78.8 million common shares of Endeavour at a total fair value of \$1,678.3 million.
- On 1 July 2020, the Group completed the acquisition of SEMAFO. Under the terms of the transaction, the Group acquired 100% of the issued and outstanding shares of SEMAFO at an exchange rate of 0.1422 Endeavour share for each outstanding SEMAFO share, which resulted in the issuance of 47.6 million common shares of Endeavour at a total fair value of \$1,151.3 million.
- On 3 July 2020, La Mancha exercised its anti-dilution right related to the acquisition of SEMAFO to maintain its interest in the Company and completed a \$100.0 million private placement for 4.5 million shares of Endeavour.
- On 30 June 2020, the Group held 0.4 million shares in SEMAFO which were converted into 0.1 million common shares of Endeavour on 1 July 2020. On 22 September 2020, the Group cancelled these treasury shares which resulted in a reduction of \$1.2 million in share capital.

b. SHARE-BASED COMPENSATION

The following table summarises the share-based compensation expense:

	YEAR ENDED	
	31 December 2021	31 December 2020
Charges and change in fair value of DSUs	0.9	1.3
Charges and change in fair value of PSUs	31.6	17.5
Total share-based compensation	\$ 32.5	\$ 18.8

c. OPTIONS

	Options outstanding	Weighted average exercise price (C\$)
Added upon acquisition of Teranga	3,517,187	16.27
Exercised	(1,265,907)	10.17
Expired	(678,170)	31.92
At 31 December 2021	1,573,110	14.43

Upon acquisition of Teranga, all outstanding Teranga stock options, whether previously vested or unvested, became fully vested and were exchanged for replacement options to purchase common shares of Endeavour at a ratio of 0.47 Endeavour share options for each Teranga share option at an adjusted exercise price, with an expiry date of the earlier of (i) the original expiry date of each Teranga stock option, and (ii) the second year anniversary of the closing date of the acquisition transaction. The fair values at the acquisition date were calculated using the Black-Scholes valuation model using a volatility of 42.64% - 60.05%, a dividend yield of 2.6% and a risk free rate of 0.1%. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time to the date of their expiry.

As at 31 December 2021, the weighted average remaining contractual term of outstanding stock options exercisable was 0.99 years. The share options are exercisable at prices ranging from C\$6.60 to C\$31.92.

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d. SHARE UNIT PLANS

A summary of the changes in share unit plans is presented below:

	DSUs outstanding	Weighted average grant price (C\$)	PSUs outstanding	Weighted average grant price (C\$)
At 31 December 2019	178,684	13.67	3,298,377	19.05
Granted	20,455	28.62	2,072,183	21.55
Exercised	(73,978)	16.88	(1,089,232)	19.08
Forfeited	—	—	(1,152,986)	19.50
Added by performance factor	—	—	85,463	18.57
At 31 December 2020	125,161	14.22	3,213,805	20.48
Granted	44,175	26.84	1,644,735	28.28
Exercised	(1,858)	31.33	(1,552,719)	22.26
Forfeited	(689)	25.33	(70,759)	22.34
Reinvested	3,923	18.83	120,793	23.59
Added by performance factor	—	—	292,922	22.54
At 31 December 2021	170,712	17.36	3,648,777	23.47

e. DEFERRED SHARE UNITS

The Group established a deferred share unit plan ("DSU") for the purposes of strengthening the alignment of interests between non-executive directors of the Company and shareholders by linking a portion of the annual director compensation to the future value of the Company's common shares. Upon establishing the DSU plan for non-executive directors, the Company no longer grants options to non-executive directors.

The DSU plan allows each non-executive director to choose to receive, in the form of DSUs, all or a percentage of their director's fees, which would otherwise be payable in cash. Compensation for serving on committees must be paid in the form of DSUs. The plan also provides for discretionary grants of additional DSUs by the Board. Each DSU vests upon award but is distributed only when the director has ceased to be a member of the Board. Vested units are settled in cash based on the common share price at the date of settlement.

The fair value of the DSUs is determined based on multiplying the 5 day volume weighted average share price of the Company by the number of DSUs at the end of the reporting period.

The total fair value of DSUs at 31 December 2021 was \$3.7 million (31 December 2020 – \$2.9 million). The total DSU share-based compensation recognised in the consolidated statement of comprehensive earnings was an expense of \$0.9 million for the year ended 31 December 2021 (for the year ended 31 December 2020 – expense of \$1.3 million).

f. PERFORMANCE SHARE UNITS

The Group's long-term incentive plan ("LTI Plan") includes a portion of performance-linked share unit awards ("PSUs"), intended to increase the pay mix in favour of long-term equity-based compensation with three-year cliff-vesting to serve as an employee retention mechanism.

The fair value of the PSUs is determined based on Total Shareholder Return ("TSR") relative to peer companies for 50% of the value of the PSU's, while the remaining 50% of the value of the PSU's granted is based on achieving certain operational performance measures. The vesting conditions related to the achievement of operational performance measures noted above are determined at the grant date and the number of units that are expected to vest is reassessed at each subsequent reporting period based on the estimated probability of reaching the operational targets. The key operational targets are determined annually and include:

- For 2022 PSU grants: 2024 targets relate to gold production (25%), capital projects and carbon reduction (25%)
- For 2021 PSU grants: 2023 targets relate to gold production (25%), capital project (12.5%), and carbon reduction and renewable energy (12.5%);
- Key future operational targets in 2022 for 2020 PSU grants are net debt / earnings before interest, tax, depreciation and amortisation ("EBITDA") (25%), gold production targets (12.5%), and Environmental, Social and Governance ("ESG") targets (12.5%);

The fair value related to the TSR portion is determined using a multi-asset Monte Carlo simulation model using a dividend yield of 2.5% (2020 – 2.5%), as well as historical TSR levels and historical volatility of the constituents of the S&P TSX Global Gold Index (2020 – same).

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During the year ended 31 December 2021, the Group determined that PSU's outstanding and part of the EBT will be settled in cash upon exercise. The fair value of the PSUs on date of reclassification was determined to be \$14.4 million and was transferred from equity reserve to liabilities. Subsequent measurement of the liability to fair value is recognised in profit or loss and is included in share-based compensation expense. No PSUs are exercisable as at 31 December 2021.

g. BASIC AND DILUTED EARNINGS PER SHARE

Diluted net earnings per share was calculated based on the following:

	YEAR ENDED	
	31 December 2021	31 December 2020
Basic weighted average number of shares outstanding	240,094,919	137,042,765
Effect of dilutive securities ¹		
Stock options and warrants	1,920,650	—
Diluted weighted average number of shares outstanding	242,015,569	137,042,765
Total common shares outstanding	248,038,422	163,036,473
Total potential diluted common shares	254,999,309	165,458,170

At 31 December 2021, a total of 3,648,777 PSU's (2,421,697 at 31 December 2020) could potentially dilute basic earnings per share in future, but were not included in diluted earnings per share as all vesting conditions have not been satisfied at the end of the reporting period. 186,120 stock options were anti-dilutive as at 31 December 2021 and were excluded from the determination of the diluted weighted average number of shares outstanding (31 December 2020 – nil). The potentially dilutive impact of the convertible senior notes are anti-dilutive for the period and were not included in the diluted earnings per share.

h. DIVIDENDS

During the year ended 31 December 2021, the Group announced its dividend for the first half of the 2021 fiscal year of \$0.28 per share totalling \$69.9 million. The dividend was paid during the three months ended 30 September 2021 to shareholders on record at the close of business on 10 September 2021. In February 2021, the Group paid a dividend of \$60.0 million (\$0.37 per share) to shareholders on record on the close of business of 22 January 2021.

	31 December 2021	31 December 2020
Dividends declared and paid	129.9	—
Dividend per share	0.65	—

i. OTHER RESERVES

A summary of reserves is presented below:

	Capital Redemption Reserve	Share Based Payment Reserve	Merger Reserve	Total
At 1 January 2020	—	72.5	—	72.5
Share based compensation	—	17.2	—	17.2
Shares issued on exercise of options and PSU's	—	(19.3)	—	(19.3)
At 31 December 2020	—	70.4	—	70.4
Consideration on the acquisition of Teranga	—	30.4	—	30.4
Purchase and cancellation of own shares	0.3	—	—	0.3
Share based compensation	—	25.4	—	25.4
Shares issued on exercise of options and PSU's	—	(24.8)	—	(24.8)
Reorganisation	—	—	4,946.7	4,946.7
Deferred shares issued upon capitalisation	—	—	(4,450.0)	(4,450.0)
Reclassification of PSU's to liabilities	—	(14.4)	—	(14.4)
At 31 December 2021	0.3	87.0	496.7	584.0

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NATURE AND PURPOSE OF OTHER RESERVES

CAPITAL REDEMPTION RESERVE

The capital redemption reserve represents the cumulative amount of shares cancelled, following the share buyback by the Company.

SHARE BASED PAYMENT RESERVE

Share-based payment reserve represents the cumulative share-based payment expense for the Company's share option schemes.

MERGER RESERVE

The merger reserve contains the difference between the share capital of the Company and the net assets of EMC as at the date of reorganisation as described in note 7 to the consolidated financial statements, and less amounts cancelled and transferred to retained earnings on cancellation of the deferred shares.

8 FINANCIAL INSTRUMENTS AND RELATED RISKS

a. FINANCIAL ASSETS AND LIABILITIES

The Group's financial instruments are classified as follows:

	Financial assets/liabilities at amortised cost	Financial instruments at fair value through profit and loss ('FVTPL')
Cash		X
Trade and other receivables	X	
Restricted cash		X
Marketable securities		X
Other long-term receivable		X
Other financial assets		X
Trade and other payables	X	
Share warrant liabilities		X
Call-rights		X
Contingent consideration		X
Senior notes	X	
Embedded derivative on senior notes		X
Revolving credit facilities	X	
Corporate loan facilities	X	
Derivative financial assets		X
Convertible senior notes	X	
Conversion option on convertible senior notes		X

The fair value of these financial instruments approximates their carrying value, unless otherwise noted below, except for the convertible senior notes, which has a fair value of approximately \$370.3 million (31 December 2020 – \$398.6 million), and the senior notes which has a fair value of approximately \$496.8 million.

As noted above, the Group has certain financial assets and liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques to measure fair value:

Classification of financial assets and liabilities

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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As at each of 31 December 2021 and 31 December 2020, the levels in the fair value hierarchy into which the Group's financial assets and liabilities measured and recognised in the consolidated statement of financial position at fair value are categorised as follows:

		AS AT 31 DECEMBER 2021				
	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value	
Assets:						
Cash		906.2	—	—	906.2	
Restricted cash	14	31.6	—	—	31.6	
Marketable securities		3.1	—	—	3.1	
Long term receivable	14	—	—	5.9	5.9	
Derivative financial assets	14	—	25.1	—	25.1	
Other financial assets	14	—	40.0	1.0	41.0	
Total		\$ 940.9	\$ 65.1	\$ 6.9	\$ 1,012.9	
Liabilities:						
Share warrant liabilities	17	—	(23.6)	—	(23.6)	
Call-rights	17	—	(19.2)	—	(19.2)	
Contingent consideration	17	—	(48.2)	—	(48.2)	
Conversion option on convertible senior notes	9	—	(34.6)	—	(34.6)	
Total		\$ —	\$ (125.6)	\$ —	\$ (125.6)	

		AS AT 31 DECEMBER 2020			
	Note	Level 1 Input	Level 2 Input	Level 3 Input	Aggregate Fair Value
Assets:					
Cash		645.0	—	—	645.0
Restricted cash	14	24.4	—	—	24.4
Marketable securities		0.8	—	—	0.8
Long term receivable	14	—	—	0.8	0.8
Total		\$ 670.2	\$ —	\$ 0.8	\$ 671.0
Liabilities:					
Conversion option on convertible senior notes	9	—	(74.6)	—	(74.6)
Total		\$ —	\$ (74.6)	\$ —	\$ (74.6)

There were no transfers between level 1 and 2 during the year. The fair value of level 3 financial assets were determined using Monte Carlo or discounted cash flow valuation models, taking into account assumptions with respect to gold prices and discount rates as well as estimates with respect to production and operating results at the disposed mine.

b. GAIN/(LOSS) ON FINANCIAL INSTRUMENTS

	Note	YEAR ENDED	
		31 December 2021	31 December 2020
Change in value of receivable at FVTPL		(1.5)	(13.3)
Unrealised gain/(loss) on conversion option on convertible senior notes	9	40.0	(43.2)
Gain/(loss) on change in fair value of warrant liabilities	17	(1.4)	—
Gain on change in fair value of call rights	17	0.1	—
Loss on change in fair value of contingent consideration	17	(3.2)	—
Loss on foreign exchange		(37.5)	(5.2)
Realised gain on forward contract	14	11.5	6.7
Gain/(loss) on gold collar	14	6.2	(21.2)
Gain/(loss) on other financial instruments		8.7	(2.5)
Total gain/(loss) on financial instruments		\$ 22.9	\$ (78.7)

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c. FINANCIAL INSTRUMENT RISK EXPOSURE

The Group's activities expose it to a variety of risks that may include credit risk, liquidity risk, currency risk, interest rate risk and other price risks, including equity price risk. The Group examines the various financial instrument risks to which it is exposed and assesses any impact and likelihood of those risks.

CREDIT RISK

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge its obligations. Credit risk arises from cash, restricted cash, marketable securities, trade and other receivables, long-term receivable and other assets.

The Group manages the credit risk associated with cash by investing these funds with highly rated financial institutions, and by monitoring its concentration of cash held in any one institution. As such, the Group deems the credit risk on its cash to be low. At 31 December 2021 1% of the Group's cash balances were invested in AA rated financial institutions (2020: 16%), 76% in A rated financial institutions (2020: 45%), 7% in B rated financial institutions (2020: 1%), 14% in BB rated institutions (2020: 31%) and 3% in unrated financial institutions (2020: 7%).

The Group closely monitors its financial assets (excluding cash) and does not have any significant concentration of credit risk other than receivable balances owed from the governments in the countries the Group operates in and its other receivables of \$14.6 million due from third parties.

The Group has a receivable of \$5.9 million from Allied, who acquired the Agbaou mine in March 2021, which has not yet been repaid at 31 December 2021. Management monitors the results of Allied to evaluate the ability of the counterparty to repay the amount. In addition, the Group has an investment in shares of Allied which a value of \$40.0 million at 31 December 2021, and has the option to sell the shares back to Allied and receive \$40.0 million in cash. Management is monitoring Allied's results from operations to determine the fair value of the investment, as well as its ability to repay the receivable if the option to convert the shares into a receivable is exercised. The Group monitors the amounts outstanding from all its third parties regularly and does not believe that there is a significant level of credit risk associated with these receivables given the current nature of the amounts outstanding and the on-going customer/supplier relationships with those companies.

The Group sells its gold to large international organisations with strong credit ratings, and the historical level of customer defaults is minimal. As a result, the credit risk associated with gold trade receivables at 31 December 2021 is considered to be negligible. The Group does not rely on ratings issued by credit rating agencies in evaluating counterparties' related credit risk.

The Group's maximum exposure to credit risk is as follows:

	Note	31 December 2021	31 December 2020
Cash		906.2	645.0
Trade and other receivables	10	104.8	55.1
Other financial assets	14	41.0	0.8
Derivative financial assets	14	25.1	—
Marketable securities	14	3.1	—
Long-term receivable	14	5.9	—
Restricted Cash	14	31.6	24.4
Total		\$ 1,117.7	\$ 725.3

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash, physical gold or another financial asset. The Group has a planning and budgeting process in place to help determine the funds required to support the Group's normal operating requirements. The Group ensures that it has sufficient cash and cash equivalents and loan facilities available to meet its short term obligations. For details of undrawn loan facilities refer to note 9.

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The following table summarises the Group's liabilities that have contractual maturities as at 31 December 2021:

	Within 1 year	1 to 2 years	3 to 4 years	Over 4 years	Total
Trade and other payables	351.0	—	—	—	351.0
Convertible senior notes	9.9	335.0	—	—	344.9
Senior notes	25.0	25.0	25.0	550.0	625.0
Lease liabilities	13.9	11.7	12.9	16.0	54.5
Total	\$ 399.8	\$ 371.7	\$ 37.9	\$ 566.0	\$ 1,375.4

The following table summarises the Group's liabilities that have contractual maturities as at 31 December 2020:

	Within 1 year	1 to 2 years	3 to 4 years	Over 4 years	Total
Trade and other payables	269.7	—	—	—	269.7
Corporate loan facility ¹	16.0	16.0	311.3	—	343.3
Convertible senior notes	9.9	9.9	335.0	—	354.8
Lease liabilities	15.5	15.3	7.3	1.2	39.3
Total	\$ 311.1	\$ 41.2	\$ 653.6	\$ 1.2	\$ 1,007.1

¹The interest on the corporate loan facility has been included in this table based on the current balance, however, the RCF can be drawn down further or repaid, which would impact the interest payments in the periods above.

d. MARKET RISKS

CURRENCY RISK

Currency risk relates to the risk that the fair values or future cash flows of the Group's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Group incurs in its operations. There has been no change in the Group's objectives and policies for managing this risk during the period ended 31 December 2021. The Group has not hedged its exposure to foreign currency exchange risk.

The table below highlights the net assets held in foreign currencies, presented in US dollars:

	31 December 2021	31 December 2020
Canadian dollar	(19.3)	92.4
CFA Francs	451.4	175.9
Euro	(14.7)	0.6
Other currencies	(0.4)	13.3
Total	\$ 417.0	\$ 282.2

The effect on earnings before taxes as at 31 December 2021, of a 10% appreciation or depreciation in the foreign currencies against the US dollar on the above mentioned financial and non-financial assets and liabilities of the Group is estimated to be \$41.7 million (31 December 2020, \$28.2 million), if all other variables remained constant. The calculation is based on the Group's statement of financial position as at 31 December 2021.

INTEREST RATE RISK

Interest rate risk is the risk that future cash flows from, or the fair values of, the Group's financial instruments will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk primarily on its long-term debt. Since marketable securities and government treasury securities held as loans are short term in nature and are usually held to maturity, there is minimal fair value sensitivity to changes in interest rates. The Group continually monitors its exposure to interest rates and is comfortable with its exposure given the relatively low short-term US interest rates and Secured Overnight Financing Rate ("SOFR").

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COVID-19 PANDEMIC RISKS

The Company continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. In response to health risks associated with the spread of COVID-19, the Group implemented a number of health and safety measures designed to protect employees and the local communities at its operations. Throughout the COVID-19 pandemic, the Group has monitored the impact that COVID-19 has had on its employees and contractors, in terms of potential health concerns, mobility to and from sites, as well as personal well-being. The Group has also monitored the impact on supply chain, infrastructure, as well as the ability to transport its gold for sale.

In the years ended 31 December 2021 and 2020, none of the Group's operations were suspended as a result of COVID-19. During the year ended 31 December 2021, the Company continued to incur costs attributable to the management of the pandemic, including those associated with additional personal protective equipment, higher travel and transportation costs, and community support. These costs were approximately \$0.6 million in the year ended 31 December 2021 (2020 - \$7.7 million) and are included corporate costs in the consolidated statement of comprehensive earnings. The impacts of COVID-19 on the Group's operations to date did not represent indicators of impairment for any of the Group's assets as at 31 December 2021 and 2020.

The extent to which COVID-19 may continue to impact the Group's operations will depend on future developments which are uncertain and cannot be predicted. These developments include, but are not limited to, the continued spread of COVID-19, increased severity of COVID-19, the emergence of any future variants of concern, the duration of the outbreak, and additional actions taken by the governments in the countries in which the Group operates to contain COVID-19.

As the pandemic continues to evolve, it remains difficult to predict the full extent and duration of the resulting operational and economic impacts for the Company, which may impact a number of future reporting periods. The Group will continue to monitor these and all other developments on the Group's operations and their impact on the Group's operations and economic activity.

9 LONG-TERM DEBT

	31 December 2021	31 December 2020
Senior notes (a)	492.7	—
Revolving credit facilities (b)	—	310.0
Deferred financing costs	(7.2)	(8.2)
Convertible senior notes (c)	321.8	311.9
Conversion option (d)	34.6	74.6
Total long-term debt	\$ 841.9	\$ 688.3

The Group incurred the following finance costs in the period:

	YEAR ENDED	
	31 December 2021	31 December 2020
Interest expense	44.8	42.0
Amortisation of deferred facility fees	15.9	3.0
Commitment, structuring and other fees	5.4	3.8
Total finance costs	\$ 66.1	\$ 48.8

a. SENIOR NOTES

On 14 October 2021, the Company completed an offering of \$500.0 million fixed rate senior notes (the "Senior Notes") due in 2026. The Senior Notes are listed on the Global Exchange Market ('GEM') which is the exchange-regulated market of The Irish Stock Exchange plc trading as Euronext Dublin of Euronext Dublin and to trading on the GEM of Euronext Dublin. The proceeds of the Notes of \$494.6 million were used to repay all amounts outstanding under the Company's existing revolving credit facilities and to pay fees and expenses in connection with the offering of the Notes.

The Notes bear interest at a coupon rate of 5% per annum payable semi-annually in arrears on 14 April and 14 October each year. The Notes mature on 14 October 2026, unless redeemed earlier or repurchased in accordance with the terms of the Notes.

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The key terms of the Notes include:

- Principal amount of \$500.0 million.
- Coupon rate of 5% payable on a semi-annual basis.
- The term of the notes is 5 years, maturing in October 2026.
- The notes are reimbursable through the payment of cash.

For accounting purposes, the Company measures the Notes at amortised cost, accreting to maturity over the term of the Notes. The conversion option on the Convertible Notes is an embedded derivative and is accounted for as a financial liability measured at fair value through profit or loss. The Notes include an optional redemption from October 2023 through to maturity at a redemption price ranging from 102.5% to 100% of the principal. Prior to October 2023, the Company may redeem up to 40% of the Notes from proceeds of an equity offering at a redemption price of 105% of the principal plus any accrued and unpaid interest. This early redemption feature is an embedded derivative to the Notes and is accounted for as a financial instrument at fair value through profit and loss, with changes in fair value at each subsequent reporting period being recognised in earnings (Note 8). The fair value of the prepayment feature has been calculated using a valuation model taking into account the market value of the debt, interest rate volatility, risk-free interest rates, and the credit spread. The fair value of the embedded derivative at 31 December 2021 was \$4.6 million (inception - \$3.4 million) (Note 14).

Covenants on the Senior Notes include certain restrictions on indebtedness, restricted payments, liens, or distributions from certain companies in the Group. In addition, should the rating of the Senior Notes be downgraded as a result of a change of control (defined as the sale or transfer of 50% or more of the common shares or the transfer of all or substantially all the assets of the Group), the Group is obligated to repurchase the notes at an equivalent price of 101% of the principal amount plus the accrued interest to repurchase date, if requested to do so by any creditor.

b. REVOLVING CREDIT FACILITIES

Concurrent with the completion of the offering of the Notes above, the Company entered into a new \$500.0 million unsecured revolving credit facility agreement (the "new RCF") with a syndicate of international banks. The new RCF replaces the bridge facility and existing RCF, which were both repaid and cancelled upon completion of the Notes offering and new RCF.

The key terms of the new RCF include:

- Principal amount of \$500.0 million.
- Interest accrues on a sliding scale of between SOFR plus 2.40% to 3.40% based on the Company's leverage ratio.
- Commitment fees for the undrawn portion of the new RCF of 35% of the applicable margin which is based on leverage (0.84% based on currently available margin).
- The RCF matures on 15 October 2025.
- The principal outstanding on the new RCF is repayable as a single bullet payment on the maturity date.
- Banking syndicate includes Société Générale, ING, Citibank N.A., BNP Paribas, Macquarie Bank Ltd, Barclays Bank, HSBC and BMO.

Covenants on the new RCF include:

- Interest cover ratio as measured by ratio of earnings before interest, tax, depreciation and amortisation ("EBITDA") to finance cost for the trailing 12 months to the end of a quarter shall not be less than 3.0:1.0
- Leverage as measured by the ratio of net debt to trailing twelve months EBITDA at the end of each quarter must not exceed 3.5:1.0

Previously, on 24 December 2020 the Company had entered into a \$430.0 million revolving credit facility agreement (the "old RCF"), which replaced a previous similar RCF, as well as a new \$370.0 million facility agreement ("Bridge Facility"), both with a syndicate of international banks and which became effective on 10 February 2021.

The key terms of the previous RCF included:

- Principal amount of \$430.0 million, maturing in January 2023, repayable in full on maturity date.
- Interest accrued on a sliding scale of between LIBOR plus 2.95% to 3.95% based on the Company's leverage ratio.
- Commitment fees for the undrawn portion of the RCF of 1.03%.

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The key terms of the Bridge Facility included:

- Principal amount of \$370.0 million, maturing in January 2023, repayable as a single bullet payment on maturity.
- Interest accrued on SOFR plus 2.25% for the first six months after first utilisation and increases by 50 basis points each subsequent six month period.

c. CONVERTIBLE SENIOR NOTES

On 8 February 2018, the Company completed a private placement of convertible senior notes with a total principal amount of \$330.0 million due in 2023 (the "Convertible Notes"). The initial conversion rate was 41.84 of the Company's common shares ("Shares") per \$1,000 Note, or an initial conversion price of approximately \$23.90 (CAD\$29.47) per share.

The conversion rate of the Convertible Notes has been subsequently adjusted as a result of the dividends declared and paid by the Company, and the new conversion rate at 31 December 2021 is 42.55 of the Company's common shares per \$1,000 note, and equates to a conversion price of approximately \$23.50 (CAD\$29.72) per share.

The Convertible Notes bear interest at a coupon rate of 3% payable semi-annually in arrears on 15 February and 15 August of each year. Convertible Notes mature on 15 February 2023, unless redeemed earlier, repurchased or converted in accordance with the terms of the Convertible Notes. The note holders can convert their Convertible Notes at any time prior to the maturity date. Also, the Convertible Notes are redeemable in whole or in part, at the option of the Company, at a redemption price equal to the principal amount of the Convertible Notes being redeemed, plus any accrued and unpaid interest, if the share price exceeds 130% of the conversion price on each of at least 20 of the trading days during the 30 days prior to the redemption notice. The Company may, subject to certain conditions, elect to satisfy the principal amount and conversion option due at maturity or upon conversion or redemption through the payment or delivery of any combination of Shares and cash.

The key terms of the Convertible Notes include:

- Principal amount of \$330.0 million.
- Coupon rate of 3% payable on a semi-annual basis.
- The term of the notes is 5 years, maturing in February 2023.
- The notes are reimbursable through the payment or delivery of shares and/or cash.
- The conversion price is \$23.50 (CAD\$29.72) per share.
- The reference share price of the notes is \$18.04 (CAD\$22.24) per share.

For accounting purposes, the Company measures the Notes at amortised cost, accreting to maturity over the term of the Notes. The conversion option on the Convertible Notes is an embedded derivative and is accounted for as a financial liability measured at fair value through profit or loss.

The unrealised gain/loss on the convertible note option for the year ended 31 December 2021 was an unrealised gain of \$40.0 million (year ended 31 December 2020 – unrealised loss of \$43.2 million million).

The liability component for the Notes at 31 December 2021 has an effective interest rate of 6.2% (31 December 2020: 6.2%) and was as follows:

	31 December 2021	31 December 2020
Liability component at beginning of the period	311.9	302.6
Interest expense in the period	19.8	19.2
Less: Interest payments in the period	(9.9)	(9.9)
Total	\$ 321.8	\$ 311.9

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d. CONVERSION OPTION

The conversion option related to the Convertible Notes is recorded at fair value, using a convertible bond valuation model, taking account of the observed market price of the Notes. The following assumptions were used in the determination of fair value of the conversion option and fixed income component of the Convertible Notes, which was then calibrated to the total fair value of the Convertible Notes: volatility of 38% (31 December 2020 – 56%), term of the conversion option 0.99 years (31 December 2020 – 2.13 years), a dividend yield of 2.5% (31 December 2020 – 2.5%), credit spread of 0.86% (31 December 2020 – 4%), and a share price of CAD\$27.73 (31 December 2020 – CAD\$29.62).

	31 December 2021	31 December 2020
Conversion option at beginning of the period	74.6	31.4
Fair value adjustment	(40.0)	43.2
Conversion option at end of the period	\$ 34.6	\$ 74.6

10 TRADE AND OTHER RECEIVABLES

	31 December 2021	31 December 2020
VAT receivable (a)	59.7	30.6
Receivables for gold sales	3.9	4.6
Other receivables (b)	32.5	19.9
Advance payments of royalties	8.7	—
Total	\$ 104.8	\$ 55.1

a. VAT RECEIVABLE

VAT receivable relates to net VAT amounts paid to vendors for goods and services purchased, primarily in Burkina Faso. These balances are expected to be collected in the next twelve months. In the year ended 31 December 2021, the Group collected \$92.0 million of outstanding VAT receivables, through the sale of its VAT receivables to third parties or reimbursement from the tax authorities.

b. OTHER RECEIVABLES

Other receivables at 31 December 2021 include a receivable of \$11.7 million (31 December 2020 – \$nil) related to the sale of equipment at Ity to third parties, an amount of \$5.9 million (31 December 2020 – \$nil) receivable from Allied related to the sale of the Agbaou mine, and other receivables from third parties. All these amounts are non-interest bearing and are expected to be repaid in the next twelve months.

11 INVENTORIES

	31 December 2021	31 December 2020
Doré bars	25.1	24.1
Gold in circuit	41.0	33.8
Ore stockpiles	312.2	125.7
Spare parts and supplies	118.3	84.0
Total	\$ 496.6	\$ 267.6
Non-current stockpiles	(185.3)	(77.0)
Inventories, current	\$ 311.3	\$ 190.6

As of 31 December 2021, there was a provision of \$nil to adjust gold in circuit ("GIC") inventory to net realisable value at Karma (31 December 2020 – \$19.4 million with respect to GIC and \$0.4 million related to finished goods).

The cost of inventories recognised as expense in the year ended 31 December 2021 was \$1,711.5 million and was included in operating expenses (year ended 31 December 2020 - \$836.0 million).

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12 MINING INTERESTS

		MINING INTERESTS		Property, plant and equipment	Assets under construction	Total
	Note	Depletable	Non depletable ¹			
Cost						
Balance as at 1 January 2020		682.8	331.8	1,081.6	22.0	2,118.2
Acquired in business combinations	5	519.9	453.5	359.2	—	1,332.6
Additions/expenditures		102.8	67.3	44.5	44.4	259.0
Transfers from inventory ¹		—	—	14.9	—	14.9
Transfers		40.8	(31.2)	26.1	(35.7)	—
Change in estimate of environmental rehabilitation provision		16.5	—	—	—	16.5
Transfer to assets held for sale		(149.9)	—	(173.4)	—	(323.3)
Disposals ²		(0.3)	—	(37.9)	—	(38.2)
Balance as at 31 December 2020		1,212.6	821.4	1,315.0	30.7	3,379.7
Acquired in business combinations	5	2,087.1	224.6	462.1	—	2,773.8
Additions/expenditures		232.0	79.1	140.4	99.1	550.6
Transfers from inventory ³		—	—	9.9	—	9.9
Transfers		57.9	(40.5)	45.1	(62.5)	—
Change in estimate of environmental rehabilitation provision		43.4	—	—	—	43.4
Disposals ²		(0.9)	—	(53.4)	—	(54.3)
Balance as at 31 December 2021		\$ 3,632.1	\$ 1,084.6	\$ 1,919.1	\$ 67.3	\$ 6,703.1
Accumulated Depreciation						
Balance as at 1 January 2020		294.2	—	413.7	—	707.9
Depreciation/depletion		151.8	—	144.7	—	296.5
Impairment	6	25.1	19.9	39.4	—	84.4
Transfer to assets held for sale	5	(114.6)	—	(144.6)	—	(259.2)
Disposals		(0.1)	—	(27.6)	—	(27.7)
Balance as at 31 December 2020		356.4	19.9	425.6	—	801.9
Depreciation/depletion		445.4	—	271.2	—	716.6
Impairment	6	87.8	128.4	11.3	—	227.5
Disposals ²		—	—	(23.1)	—	(23.1)
Balance as at 31 December 2021		\$ 889.6	\$ 148.3	\$ 685.0	\$ —	\$ 1,722.9
Carrying amounts						
At 31 December 2020		\$ 856.2	\$ 801.5	\$ 889.4	\$ 30.7	\$ 2,577.8
At 31 December 2021		\$ 2,742.5	\$ 936.3	\$ 1,234.1	\$ 67.3	\$ 4,980.2

1. In the year ended 31 December 2020 long-term strategic parts and supplies to the value of \$14.9 million were transferred from inventory to property, plant and equipment.
2. Disposals for the year ended 31 December 2021 mainly relate to mining equipment with a net book value of \$28.3 million sold to the mining contractor at Ity for which we recognised a loss of \$2.4 million (for the year ended 31 December 2020, the Group received proceeds of \$10.3 million and recognised a gain of \$4.1 million on the sale and leaseback of a mining fleet at Karma in connection with transferring its mining operations to a contractor).
3. In the year ended 31 December 2021 long-term strategic parts and supplies to the value of \$9.9 million were transferred from inventory to property, plant and equipment associated to the acquisition of the Sabodala-Massawa and Wahgnion mines.
4. During the year ended 31 December 2020, the Group received \$22.2 million in cash proceeds from a contractor used in the original construction of the Karma mine as reimbursement of previously made capitalised expenditures. The proceeds have been recognised as other income in the year ended 31 December 2020.

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The Group's right-of-use assets consist of buildings, plant and equipment and its various segments which are right-of-use assets under IFRS 16, Leases. These have been included within the property, plant and equipment category above.

	Plant and equipment	Property	Total
Balance as at 1 January 2020	6.4	1.6	8.0
Acquired in business combinations	26.0	1.2	27.2
Additions	11.5	0.7	12.2
Depreciation for the year	(10.2)	(1.6)	(11.8)
Transferred to assets held for sale	(0.8)	—	(0.8)
Disposals	(1.6)	—	(1.6)
Balance as at 31 December 2020	31.3	1.9	33.2
Acquired in business combinations	0.6	5.0	5.6
Additions	18.2	9.7	27.9
Depreciation for the year	(12.1)	(1.0)	(13.1)
Balance as at 31 December 2021	\$ 38.0	\$ 15.6	\$ 53.6

13 GOODWILL

As stated in Note 5, the Group has recognised goodwill on the acquisition of SEMAFO and Teranga as a result of the recognition of the deferred tax liability for the difference between the assigned fair values and the tax bases of the assets acquired and the liabilities assumed. The Group has allocated goodwill for impairment testing purposes to three individual CGUs - Mana, Bounbou and Sabodala-Massawa.

The carrying amount of goodwill has been allocated to CGUs as follows:

	Note	Mana	Bounbou	Sabodala-Massawa	Total
Cost					
At 1 January 2020		—	—	—	—
Recognised on acquisition of a subsidiary		39.6	31.9	—	71.5
At 31 December 2020	\$	\$ 39.6	\$ 31.9	\$ —	\$ 71.5
Recognised on acquisition of subsidiary		—	—	94.8	94.8
At 31 December 2021	\$	\$ 39.6	\$ 31.9	\$ 94.8	\$ 166.3
Accumulated impairment losses					
At 1 January 2020		—	—	—	—
Impairment losses for the year		—	—	—	—
At 31 December 2020	\$	\$ —	\$ —	\$ —	\$ —
Impairment losses for the year	6	—	31.9	—	31.9
At 31 December 2021	\$	\$ —	\$ 31.9	\$ —	\$ 31.9
Carrying amount					
At 31 December 2020	\$	\$ 39.6	\$ 31.9	\$ —	\$ 71.5
At 31 December 2021	\$	\$ 39.6	\$ —	\$ 94.8	\$ 134.4

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14 OTHER FINANCIAL ASSETS

Other financial assets are comprised of:

	Note	31 December 2021	31 December 2020
Restricted cash	18	31.6	24.4
Long-term receivable (a)	5	5.9	—
Derivative financial assets (b)		25.1	—
Other financial assets (c)	4	41.0	0.8
Total other financial assets		\$ 103.6	\$ 25.2
Less: Non-current other financial assets		(95.0)	(25.2)
Total current derivative financial assets		\$ 8.6	\$ —

a. LONG-TERM RECEIVABLE

The long-term receivable at 31 December 2021 is the fair value related to the NSR receivable from Allied for the sale of the Agbaou mine.

b. DERIVATIVE FINANCIAL ASSETS

GOLD COLLAR

In the year ended 31 December 2021, the Group implemented a deferred premium collar strategy ("Collar") (Note 8b) using written call options and bought put options with a floor price of \$1,750 and a ceiling price of \$2,100 per ounce. The Collar covers a total of 600,008 ounces of which 300,004 will be settled quarterly in 2022 with the remaining ounces to be settled on a quarterly basis in 2023. The programme represents an estimated 20% of Endeavour's total expected gold production for the period of the Collar. The Group paid a premium of \$10.0 million upon entering into the Collar. As at 31 December 2021, \$16.1 million is included in derivative financial assets related to the Collar of which \$11.8 million has been classified as non-current. The Collar was not designated as a hedge by the Group and recorded at its fair value at the end of each reporting period with changes in fair value recorded in the consolidated statement of comprehensive earnings.

In the year ended 31 December 2019, the Group implemented a gold collar using written call options and bought put options for the 12-month period from July 2019 to June 2020. The program covered a total of 360,000 ounces, representing approximately 50% of Endeavour's total expected gold production for the period, with an average floor price of \$1,358 and a ceiling price of \$1,500. The Collar was accounted for at FVTPL and the Group realised a loss of \$35.9 million over the life of the Collar of which \$21.2 million was recognised in the year ended 31 December 2020.

FORWARD CONTRACTS

During the year ended 31 December 2021, the Group has entered into various gold forward contracts to manage the risk of changes in the market price of gold within a period. In the fourth quarter, the Group bought 120,000 ounces at an average gold price of \$1,860 per ounce which will be evenly settled on a quarterly basis in 2022 (Note 8b). At 31 December 2021, the contracts had a fair value of \$4.3 million which has been recognised in the current portion of other financial assets. Also, during the year ended 31 December 2021, the Group has periodically entered into agreements to sell ounces of gold produced in a quarter at specified prices. Through these agreements, the Group has sold a total of 215,000 ounces in the year at an average price of \$1,822 per ounce, and has realised gains of \$7.8 million in the year upon settlement of these agreements for cash. During the year ended 31 December 2020, the Group entered into forward contracts and sold 73,919 ounces at an average gold price of \$1,590 per ounce, and recognised a gain of \$6.7 million upon settlement of the contracts.

EMBEDDED DERIVATIVE ON SENIOR NOTES

Derivative financial assets include the early redemption feature on the Senior Notes which is accounted for as a financial instrument at fair value through profit and loss (Note 9). A gain of \$1.2 million was recognised in gains/losses on other financial instruments due to the revaluation of the embedded derivative to a fair value of \$4.6 million at 31 December 2021 (inception - \$3.4 million).

c. OTHER FINANCIAL ASSETS

Other financial assets at 31 December 2021 include \$40.0 million related to the shares of Allied received as consideration upon the sale of the Agbaou mine and is classified as a non-current financial asset.

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15 TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	31 December 2021	31 December 2020
Trade accounts payable	247.7	192.9
Royalties payable	40.5	14.5
Payroll and social payables	51.1	27.0
Other payables	11.7	27.3
Total trade and other payables	\$ 351.0	\$ 261.7

16 LEASE LIABILITIES

Leases relate principally to corporate offices, light vehicles and mining fleet at the various mine sites. Leases for corporate offices typically range from 3 to 10 years. The lease liabilities included in the consolidated statement of financial position are as follows:

	31 December 2021	31 December 2020
Lease liabilities	51.2	37.2
Less: non-current lease liabilities	(36.8)	(23.5)
Current lease liabilities	\$ 14.4	\$ 13.7

Amounts recognised in the consolidated statement of comprehensive earnings are as follows:

	YEAR ENDED	
	31 December 2021	31 December 2020
Depreciation expense on right-of-use assets	13.1	11.8
Interest expense on lease liabilities	1.2	1.5
Operating expenses related to variable lease payments not included in the measurement of lease liabilities	8.6	8.6
Recognised in net earnings	\$ 22.9	\$ 21.9

In the consolidated statement of cash flows for the year ended 31 December 2021, the total amount of cash paid in respect of leases recognised on the consolidated balance sheet are split between repayments of principal of \$19.4 million (FY-2020: \$9.3 million) and repayments of interest of \$3.3 million (FY-2020: \$2.9 million), both presented within cash flows from financing activities (Note 20).

17 OTHER FINANCIAL LIABILITIES

	Note	31 December 2021	31 December 2020
Share warrant liabilities (a)		23.6	—
DSU liabilities	7	3.7	2.9
PSU liabilities (b)	7	17.9	—
Repurchased shares (b)		13.2	—
Call-Rights (c)		19.2	—
Contingent consideration (d)		48.2	—
Other long-term liabilities		10.9	—
Total		136.7	2.9
Non-current other financial liabilities		(104.3)	(2.9)
Current other financial liabilities		\$ 32.4	\$ —

a. SHARE WARRANT LIABILITIES

Upon acquisition of Teranga, all outstanding Teranga share warrants were exchanged for replacement Endeavour warrants at a ratio of 0.47 Endeavour warrants for each Teranga warrant at an exercise price adjusted at a ratio of 0.47.

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The following share warrants were outstanding as at 31 December 2021:

Grant date	Number	Expiry date	Exercise price (C\$)
16 April 2018	940,000	16 April 2022	11.11
26 February 2019	70,500	27 February 2023	10.81
30 May 2019	658,000	30 May 2023	8.15
30 September 2019	70,500	30 September 2023	13.81

The currency of the exercise price of the warrants is different from the Company's functional currency and as a result the share warrants have been classified as a derivative financial liability. Changes in fair value of share warrants are recognised in (losses)/gains on financial instruments at the end of each reporting period. Upon exercise, the associated share warrant liability will be reclassified to share capital. Should any of the share warrants expire un-exercised, the associated share warrant liability will be recorded as gains/(losses) on financial instruments in the consolidated statement of comprehensive earnings. There is no circumstance under which the Group would be required to pay any cash upon exercise or expiry of the warrants.

A reconciliation of the change in fair value of share warrant liabilities is presented below:

	Number of warrants	Amount
Added upon acquisition of Teranga	1,739,000	22.2
Change in fair value	—	1.4
Balance as at 31 December 2021	1,739,000	\$ 23.6

Fair values of share warrants were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at 31 December 2021	As at 10 February 2021
Valuation date share price	C\$ 27.73	C\$ 27.06
Weighted average fair value of share warrants	C\$17.19	C\$16.24
Exercise price	C\$8.15 - C\$13.81	C\$8.15 - C\$13.81
Risk-free interest rate	0.95 %	0.19% - 0.22%
Expected share market volatility	27% - 41%	46% - 55%
Expected life of share warrants (years)	0.29 - 1.75	1.2 - 2.6
Dividend yield	2.5 %	2.5 %
Number of share warrants exercisable	1,739,000	1,739,000

b. PSU'S AND REPURCHASED SHARES

Prior to the Company listing on the LSE, the Group established an Employee Benefits Trust (the "EBT") in connection with the Group's employee share incentive plans, which may hold the Company's own shares in trust to settle future employee share incentive obligations. During the year ended 31 December 2021, the EBT acquired 0.6 million outstanding common shares from certain employees of the Group which remain held in the EBT at 31 December 2021.

In exchange for the shares, a subsidiary of the Company is obligated to repay the employees cash for the fair value of the underlying shares of the Company now held in the EBT. The amount of this liability is \$13.2 million at 31 December 2021 and is included in current other financial liabilities as the amounts may be repaid at any time. Subsequent changes in the fair value of the underlying shares will be recognised in earnings/(loss) in the period.

In addition to the above, certain PSU's were reclassified to liabilities during the year ended 31 December 2021 as management determined that the PSU's will be settled in cash upon vesting. As a result, these PSU's are recognised at fair value at 31 December 2021, and \$5.8 million is included in current other financial liabilities at 31 December 2021 as they are expected to be settled in the next twelve months. The remaining \$12.1 million is classified as non-current other liabilities as the PSU's do not vest in the next twelve months.

c. CALL-RIGHTS

Upon acquisition of Teranga, the Group acquired all previously issued and outstanding Teranga call-rights and were exchanged for replacement Endeavour call-rights at a ratio of 0.47 Endeavour call-rights for each Teranga call-right at an adjusted exercise price of C\$14.90.

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The call-rights are required to be settled in cash at the difference between Endeavour's 5-day volume weighted average trading price on the exercise date and the exercise price of C\$14.90. The call-rights expire on 4 March 2024. The call-rights were recorded as derivative financial liabilities as their value changes in line with Endeavour's share price. Changes in the fair value of call-rights are recognised as gains/(losses) on financial instruments.

A reconciliation of the change in fair value of the call-rights liability is as follows:

	Number of call-rights	Amount
Added upon acquisition of Teranga	1,880,000	19.3
Change in fair value	—	(0.1)
Balance as at 31 December 2021	1,880,000	\$ 19.2

The fair value of the call-rights were calculated using the Black-Scholes option pricing model with the following assumptions:

	As at 31 December 2021	As at 10 February 2021
Valuation date share price ⁽ⁱ⁾	C\$ 27.57	C\$ 27.93
Fair value per call-right	C\$ 12.92	C\$ 13.05
Exercise price	C\$ 14.89	C\$ 14.89
Risk-free interest rate	0.96 %	0.24 %
Expected share market volatility	46 %	45 %
Expected life of call-rights (years)	2.18	3.06
Dividend yield	2.5 %	2.5 %
Number of call-rights exercisable	1,880,000	1,880,000

i. Represents 5-day volume weighted average trading price of the Company's common shares on the TSX

d. CONTINGENT CONSIDERATION

As part of the acquisition of Teranga, Endeavour recognised contingent consideration related to Teranga's acquisition of Massawa (Jersey) Limited. The contingent consideration is linked to future gold prices and is payable to Barrick Gold Corporation ("Barrick") in cash three years following the completion of the Massawa Acquisition by Teranga on 4 March 2020 and is calculated as follows:

- If the average gold price for the three-year period immediately following closing of the Massawa Acquisition (the "three-year average gold price") is equal to or less than \$1,450 per ounce, \$ nil;
- If the three-year average gold price is greater than \$1,450 per ounce and up to, but not more than, \$1,500 per ounce, \$25.0 million;
- If the three-year average gold price is greater than \$1,500 per ounce and up to, but not more than, \$1,600 per ounce, \$35.0 million; or
- If the three-year average gold price is greater than \$1,600 per ounce, \$50.0 million.

The Group has classified the contingent consideration payable to Barrick as a derivative financial liability as the amount due is dependent on future gold prices over periods of time in future. As at 31 December 2021, the Group estimated the fair value of the contingent consideration using a Monte Carlo simulation model based on the gold forward curve, expected volatility of 17.44% (10 February 2021 - 19.83%), Endeavour's credit spread of 2.19% (10 February 2021 - 2.78%) and risk-free rate of 0.94% (10 February 2021 - 0.20%).

On the date of acquisition of Teranga, the fair value of the contingent consideration was estimated to be \$45.6 million. For the year ended 31 December 2021, the increase in the non-current liability to \$48.2 million resulted in losses on financial instruments of \$2.6 million.

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18 ENVIRONMENTAL REHABILITATION PROVISION

	Note	31 December 2021	31 December 2020
Balance as at beginning of year		78.0	38.5
Assumed on acquisition of subsidiaries		38.1	31.6
Revisions in estimates and obligations incurred		43.4	17.5
Accretion		3.4	1.8
Total		162.9	89.4
Less: portion reclassified to liabilities held for sale	5	—	(11.4)
Balance as at end of year		\$ 162.9	\$ 78.0

The Group recognises environmental rehabilitation provisions for all its operating mines. Rehabilitation activities include backfilling, soil-shaping, re-vegetation, water treatment, plant and building decommissioning, administration, closure and monitoring activities. The majority of rehabilitation expenses are expected to occur between 2022 and 2033. The provisions of each mine are accreted to the undiscounted cash flows over the projected life of each mine.

The Group measures the provision at the expected value of future cash flows including inflation rates of approximately 2.72% (31 December 2020 - 2.28%), discounted to the present value using average discount rates of 2.25% (31 December 2020 - 2.02%). Future cash flows are estimated based on estimates of rehabilitation costs and current disturbance levels. The undiscounted cash flows related to the environmental rehabilitation obligation as of 31 December 2021 was \$152.4 million (31 December 2020 - 76.4 million).

Regulatory authorities in certain countries require security to be provided to cover the estimated rehabilitation provisions. Total restricted cash held for this purpose as at 31 December 2021 was \$31.6 million (31 December 2020 - \$24.4 million).

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19 NON-CONTROLLING INTERESTS

The composition of the non-controlling interests ("NCI") is as follows:

	Ity Mine (15%)	Karma Mine (10%)	Houndé Mine (10%)	Mana Mine (10%)	Boungou Mine (10%)	Sabodala-Massawa Mine (10%)	Wahgnion Mine (10%)	Other ²	Total (continuing operations)	Agbaou Mine (15%)	Total (all operations)
December 2019	23.9	14.0	6.8	—	—	—	—	0.5	45.2	53.4	98.6
Acquisition of NCI	—	—	—	38.3	63.8	—	—	6.4	108.5	—	108.5
Net earnings/(loss)	16.0	(4.2)	17.4	6.5	2.6	—	—	—	38.3	1.0	39.3
Dividend distribution	(0.7)	—	(1.7)	—	—	—	—	—	(2.4)	(52.9)	(55.3)
Change in NCI	—	—	—	—	—	—	—	(0.2)	(0.2)	—	(0.2)
December 2020	\$ 39.2	\$ 9.8	\$ 22.5	\$ 44.8	\$ 66.4	\$ —	\$ —	6.7	\$ 189.4	\$ 1.5	\$ 190.9
Acquisition of NCI	—	—	—	—	—	193.2	52.7	—	245.9	—	245.9
Net earnings	21.6	(0.8)	18.3	7.1	(13.7)	21.2	4.7	0.4	58.8	1.5	60.3
Dividend distribution	(4.5)	—	(8.2)	(8.0)	(7.3)	(1.9)	—	—	(29.9)	—	(29.9)
Disposal of the Agbaou mine ¹	—	—	—	—	—	—	—	—	—	(3.0)	(3.0)
December 2021	\$ 56.3	\$ 9.0	\$ 32.6	\$ 43.9	\$ 45.4	\$ 212.5	\$ 57.4	7.1	\$ 464.2	\$ —	\$ 464.2

1. For further details refer to note 5

2. Exploration, Corporate and Kalana segments are included in the "other" category.

During the year ended 31 December 2021, the Boungou, Houndé, Ity, Mana and Sabodala-Massawa mines declared dividends to their shareholders. Dividends to minority shareholders to the value of \$29.9 million were paid during the year and are included in cash flows from financing activities (year ended 31 December 2020 - minority dividends to the value of \$2.4 million were declared by the Ity and Karma mines of which \$1.7 million were paid and included in cash flows from financing activities. An additional amount of \$6.8 million was included as dividends paid by Mana in cash flows from financing activities related to a dividend declared to minority shareholders before the acquisition of SEMAFO on 1 July 2020).

For summarised information related to these subsidiaries, refer to Note 23, Segmented Information.

20 SUPPLEMENTARY CASH FLOW INFORMATION

a. NON-CASH ITEMS

Below is a reconciliation of non-cash items adjusted for in the operating cash flows in the consolidated statement of cash flows for the year ended 31 December 2021:

		YEAR ENDED	
	Note	31 December 2021	31 December 2020
Depreciation and depletion		648.7	261.2
Impairment	6	259.4	64.5
Finance costs	9	66.1	48.8
Share-based compensation	7	32.5	18.8
(Gain)/loss on financial instruments	8	(22.9)	78.7
Write down of inventory and other		4.1	12.4
Loss on disposal of assets		2.4	—
Total non-cash items		\$ 990.3	\$ 484.4

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b. CHANGES IN WORKING CAPITAL

Below is a reconciliation of changes in working capital included in operating cash flows in the consolidated statement of cash flows for the year ended 31 December 2021:

	YEAR ENDED	
	31 December 2021	31 December 2020
Trade and other receivables	(1.4)	4.1
Inventories	65.2	45.1
Prepaid expenses and other	4.6	(10.0)
Trade and other payables	(60.2)	42.7
Changes in working capital	\$ 8.2	\$ 81.9

c. CASH FLOWS ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Long-term debt					Lease obligations		
	RCF	Other loan facilities	Accrued interest ¹	offtake liability	Senior notes	Convertible senior notes	Financing arrangements	Lease liabilities
At 1 January 2021	301.7	—	0.9	—	—	386.5	—	37.2
Added upon acquisition of Teranga	—	343.1	—	49.7	—	—	8.9	5.6
Changes from financing cash flows								
Debt issued	490.0	—	—	—	494.6	—	—	—
Repayments	(800.0)	(343.1)	—	(49.7)	—	—	(8.9)	(19.4)
Interest paid	—	—	(13.7)	—	—	(9.9)	—	(3.3)
Payment of deferred financing costs and other	(14.8)	—	(1.8)	—	(11.0)	—	—	—
Other changes								
Interest expense	—	—	12.8	—	5.8	19.8	—	3.3
New leases	—	—	—	—	—	—	—	27.9
Amortisation of deferred financing costs and other fees	15.9	—	—	—	—	—	—	—
Change in fair value of conversion option	—	—	—	—	—	(40.0)	—	—
Foreign exchange and other	—	—	2.7	—	3.3	—	—	(0.2)
At 31 December 2021	\$ (7.2)	\$ —	\$ 0.9	\$ —	\$ 492.7	\$ 356.4	\$ —	\$ 51.1
Current portion	\$ —	\$ —	\$ 0.9	\$ —	\$ —	\$ —	\$ —	\$ 14.4
Long-term portion	\$ (7.2)	\$ —	\$ —	\$ —	\$ 492.7	\$ 356.4	\$ —	\$ 36.7

1. Included in note 15: Trade and other payables

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	Long-term debt			Lease obligations		
	RCF	Corporate loan	Accrued interest ¹	Convertible senior notes	Financing arrangements	Lease liabilities
At 1 January 2020	304.9	—	2.7	334.0	78.1	8.8
Added upon acquisition of SEMAFO	—	29.8	—	—	—	24.1
Changes from financing cash flows						
Debt issued	120.0	—	—	—	—	—
Repayments	(120.0)	(30.0)	—	—	(74.6)	(9.3)
Interest paid	—	—	(16.1)	(9.9)	(4.6)	(2.9)
Payment of deferred financing costs and other	(6.0)	—	(0.9)	—	—	—
Other changes						
Interest expense	—	—	14.3	19.2	5.3	8.5
New leases	—	—	—	—	—	12.2
Amortisation of deferred financing costs and other fees	2.8	0.2	—	—	—	—
Reclassification to liabilities held for sale	—	—	—	—	—	(0.7)
Change in fair value of conversion option	—	—	—	43.2	—	—
Foreign exchange and other	—	—	0.9	—	(4.2)	(3.5)
At 31 December 2020	\$ 301.7	\$ —	\$ 0.9	\$ 386.5	\$ —	\$ 37.2
Current portion	\$ —	—	\$ 0.9	\$ —	\$ —	\$ 13.7
Long-term portion	\$ 301.7	—	\$ —	\$ 386.5	\$ —	\$ 23.5

1. Included in note 15: Trade and other payables

21 INCOME TAXES

a. INCOME TAXES RECOGNISED IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS

Details of the income tax (expense)/recovery are as follows:

	YEAR ENDED	
	31 December 2021	31 December 2020
Current income and other tax expense	(196.4)	(122.6)
Deferred income tax recovery	51.8	37.4
Total income tax expense	\$ (144.6)	\$ (85.2)

The Group operates in numerous countries, and accordingly it is subject to, and pays annual income taxes under the various income tax regimes in the countries in which it operates. Some subsidiaries of the Group are not subject to corporate taxation in the Cayman Islands. However, the taxable earnings of the corporate entities in Barbados, Burkina Faso, Canada, Côte d'Ivoire, Mali, Senegal, Monaco, France, Luxembourg and the United Kingdom are subject to tax under the tax law of the respective jurisdiction. Significant judgement is required in the interpretation or application of certain tax rules when determining the provision for income taxes due to the complexity of the legislation. From time to time the Group is subject to a review of its income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Group's business conducted within the country involved. Management evaluates each of the assessments and recognises a provision based on its best estimate of the ultimate resolution of the assessment, through either negotiation or through a legal or arbitral process. In the event that management's estimate of the future resolution of these matters change over time, the Group will recognise the effects of the changes in its condensed interim consolidated financial statements in the period that such changes occur.

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	31 December 2021	31 December 2020
Earnings before taxes	424.1	219.5
Weighted average domestic tax rate	24%	23%
Income tax expense based on weighted average domestic tax rates	101.8	50.5
Reconciling items:		
Rate differential	2.7	33.3
Effect of foreign exchange rate changes on deferred taxes	34.5	(7.8)
Permanent differences	33.4	0.3
Mining convention benefits	(105.2)	(9.6)
Effect of alternative minimum taxes and withholding taxes paid	51.3	4.7
True up and tax amounts paid in respect of prior years	16.3	1.8
Effect of changes in deferred tax assets not recognised	19.3	0.4
Other	(9.5)	11.6
Income tax expense	\$ 144.6	\$ 85.2

The following is a summary of the tax rates in the various taxable jurisdictions:

	31 December 2021	31 December 2020
Barbados	2.5 %	2.5%
Burkina Faso	17.5%/27.5%	17.5%/27.5%
Canada	27.0 %	27.0%
Cayman Islands	0.0 %	0.0%
Senegal	25.0 %	N/A
Côte d'Ivoire	25.0 %	25.0%
Ghana	25.0 %	25.0%
Mali	30.0 %	30.0%
Monaco	28.0 %	28.0%
France	31.0 %	31.0%
Luxembourg	17.0 %	17.0%
United Kingdom	19.0 %	19.0%

a. INCOME TAXES PAYABLE AND RECEIVABLE

	YEAR ENDED	
	31 December 2021	31 December 2020
Income taxes payable related to current year taxable profits	122.9	103.9
Provision for income taxes	46.4	30.3
Income taxes payable	\$ 169.3	\$ 134.2

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b. DEFERRED TAX BALANCES

	31 December 2021	31 December 2020
Deferred income tax assets		
Mining interests, and property, plant and equipment	19.5	16.6
Inventory	1.2	1.6
Trade receivables and other assets	—	2.4
Trade payables	5.8	—
	\$ 26.5	\$ 20.6
Deferred income tax liabilities		
Inventory	(26.0)	(1.5)
Current liabilities	(6.3)	(0.8)
Withholding tax on dividends	(23.5)	—
Mining interests and other	(633.0)	(303.6)
Net deferred income tax liability	\$ (662.3)	\$ (285.3)
	31 December 2021	31 December 2020
Net deferred income tax liability at beginning of the year	(285.3)	(44.5)
Deferred tax liability recognized as part of acquisitions	(429.0)	(271.6)
Income tax expense charge to earnings during the year	52.0	44.4
Deferred tax asset included in assets held for sale	—	(8.5)
Changes to foreign currency translation and other movements		(5.1)
Net deferred income tax liability at end of the year	\$ (662.3)	\$ (285.3)
	31 December 2021	31 December 2020
Net deferred income tax asset	10.0	19.8
Net deferred income tax liability	(672.3)	(305.1)
Total	\$ (662.3)	\$ (285.3)

c. UNRECOGNISED DEDUCTIBLE TEMPORARY DIFFERENCES

At 31 December 2021, the Group had deductible temporary differences for which deferred tax assets have not been recognised because it is not probable that future profits will be available against which the Group can utilise the benefit. The major components of the deductible temporary differences were comprised as follows:

- \$35.4 million (31 December 2020 - \$15.1 million) in Burkina Faso, Senegal and Cote d'Ivoire arising from mine closure liabilities.
- \$1.2 million (31 December 2020 - \$4.6 million) in Burkina Faso arising from the impairment of mining interests at Karma mine.

22 RELATED PARTY TRANSACTIONS

A related party is considered to include shareholders, affiliates, associates and entities under common control with the Group and members of key management personnel.

a. COMPENSATION OF KEY MANAGEMENT PERSONNEL AND DIRECTORS

During the year ended 31 December 2021, an amount of \$10.8 million was paid to senior and key management personnel as incentive awards for the completion of the Teranga acquisition and the successful listing on the LSE.

The remuneration of directors and other members of key management personnel, who are those members of management who are responsible for planning, directing and controlling the activities of the Group during the year, were as follows:

	YEAR ENDED	
	31 December 2021	31 December 2020
Short-term benefits	23.4	9.1
Share-based payments	10.5	11.8
Termination benefits	—	3.2
Total	\$ 33.9	\$ 24.1

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b. OTHER RELATED PARTY TRANSACTIONS

During the year ended 31 December 2021, the Group entered into a transaction with La Mancha when La Mancha exercised its anti-dilution right to maintain its interest in the Company and completed a \$200.0 million private placement for 8,910,592 shares of Endeavour. La Mancha's future anti-dilution rights have now been extinguished and La Mancha's ownership interest in Endeavour was 19.4% at 31 December 2021 (31 December 2020 - 24.1%).

During the year ended 31 December 2021, and prior to the Company listing on the London Stock Exchange, the Group established an EBT in connection with the Group's employee share incentive plans, which may hold repurchased shares on trust to settle future employee share incentive obligations. During the three months ended 30 June 2021, the EBT acquired 576,308 outstanding common shares from certain employees of the Group, which remain held in the EBT at 31 December 2021. In exchange for the shares, the Group is obligated to repay the employees cash for the fair value of the underlying shares of the Company now held in the EBT. The amount of this liability is \$13.2 million at 31 December 2021 and is included in current financial liabilities.

c. SUBSIDIARIES

Details of the Company's subsidiaries at the end of the reporting periods are as follows:

Entity	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held		Registered address
			31 December 2021	31 December 2020	
Endeavour Mining Services LLP	Corporate	United Kingdom	100 %	100 %	2nd Floor, 5 Young Street, London, UK W8 5EH
Endeavour Mining Corporation	Corporate	Cayman	100 %	—	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands
Endeavour Gold Corporation	Corporate	Cayman	100 %	100 %	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands
Teranga Gold Corporation	Corporate	Canada	100 %	—	66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto ON M5K 1E6, Canada
Arion Construction S.à.r.l	Operations	Côte d'Ivoire	100 %	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08 Abidjan, République de Côte d'Ivoire.
Endeavour Management Services Monaco S.A.M.	Corporate	Monaco	100 %	100 %	7 Boulevard des Moulins, Bureau 76, Monaco 98000
Endeavour Management Services Abidjan S.à.r.l	Corporate	Côte d'Ivoire	100 %	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08 Abidjan, République de Côte d'Ivoire.
Endeavour Management Services France	Corporate	France	100 %	100 %	19 boulevard Malesherbes 75008 Paris
Endeavour Management Services London Limited.	Corporate	England	100 %	100 %	2nd Floor, 5 Young Street, London, UK W8 5EH
Hippocampus Mining Services S.à.r.l	Operations	Côte d'Ivoire	100 %	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08 Abidjan, République de Côte d'Ivoire.
Endeavour Management Services Halifax Ltd.	Corporate	Canada	100 %	100 %	Suite 301, 1595 Bedford Highway (Bedford House), Halifax, NS B4A 3Y4
SEMAFO Inc.	Corporate	Canada	100 %	100 %	2500-1000 rue De La Gauchetière O Montréal (Québec) H3B0A2 Canada
Avion Gold Corporation	Corporate	Canada	100 %	100 %	199 Bay Street, 5300 Commerce Court West, Toronto, Ontario, Canada, M5L 1B9
Hounde Holdings Ltd (Formerly Avion Resources (Mali) Ltd.)	Holding	Barbados	100 %	100 %	Radley Court, Upper Collymore Rock, St. Michael, Barbados
Avnel Gold Mining Limited	Holding	Guernsey	100 %	100 %	Les Echelons Court, Les Echelons, St. Peter Port, Guernsey GY1 1AR

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Entity	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held		Registered address
			31 December 2021	31 December 2020	
Burkina Faso Exploration Limited	Holding	Jersey	100 %	100 %	44 Esplanade, St Helier, Jersey JE4 9WG, Channel Islands
Ity Holdings	Holding	Cayman	100 %	100 %	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands
Endeavour Exploration Ltd.	Holding	Cayman	100 %	100 %	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands
Endeavour Resources Inc.	Holding	Cayman	—	100 %	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, GrandN/A
Karma Mining Holdings Ltd.	Holding	Barbados	100 %	100 %	Radley Court, Upper Collymore Rock, St. Michael, Barbados
True Gold Mining Inc.	Holding	Canada	100 %	100 %	Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 0C5
Semafo (Barbados) Limited	Holding	Barbados	100 %	100 %	J.W. Business Services Inc. The Gables, Haggatt Hall, St. Michael, Barbados
African GeoMin Mining Development Corporation Ltd	Holding	Barbados	100 %	100 %	J.W. Business Services Inc. The Gables, Haggatt Hall, St. Michael, Barbados
Savary A1 Inc	Holding	British Virgin Islands	100 %	100 %	PO Box 173, Road Town, Tortola, VG1110, British Virgin Islands.
Avion Gold (Burkina Faso) S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Bouéré-Dohoun Gold Operation SA	Operations	Burkina Faso	90 %	90 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 06 BP 9214 Ouagadougou 06, Burkina Faso
Bissa HoldCo S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Burkina Faso Gold Exploration S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Burkina Faso Gold S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Golden Star Exploration – Burkina SA	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Houndé Gold Operation SA	Operations	Burkina Faso	90 %	90 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 06 BP 9214 Ouagadougou 06, Burkina Faso
Karma Exploration S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Liguidi Holdco SARL	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Liguidi Malguem JV S.à.r.l.	Exploration	Burkina Faso	80 %	80 %	VMAP, Petit Paris, 01 BP 1324 Ouagadougou 01, Burkina Faso
Riverstone Karma SA	Operations	Burkina Faso	90 %	90 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Riverstone Resources Burkina S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso

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			31 December 2021	31 December 2020	
Endeavour Exploration Burkina S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Yatenga Holdings Limited SA	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 15 Section B Lot 35 Parcelle 9, 01 BP 1324 Ouagadougou 06, Burkina Faso
Semafo Boungou SA	Operations	Burkina Faso	90 %	90 %	Ouagadougou, Arrondissement 5, Secteur 22, Zone du Bois, Avenue Babanguida, Rue Benda, Porte 211, Section EP, Lot 10, Parcelle 12, 11 BP 1196, Ouagadougou 11, Burkina Faso
Semafo Burkina Faso SA	Operations	Burkina Faso	90 %	90 %	Ouagadougou, Arrondissement 5, Secteur 22, Zone du Bois, Avenue Babanguida, Rue Benda, Porte 211, Section EP, Lot 10, Parcelle 12, 11 BP 1196, Ouagadougou 11, Burkina Faso
Houndé Exploration BF S.à.r.l.	Exploration	Burkina Faso	79 %	79 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 13 BP 60 Ouagadougou 13, Burkina Faso
Sarama JV Mining S.à.r.l.	Exploration	Burkina Faso	79 %	79 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 818 CMS Ouagadougou 11, Burkina Faso
Semafo Minéral S.A	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 818 CMS Ouagadougou 11, Burkina Faso
Burkina Geoservices S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 1196 CMS Ouagadougou 11, Burkina Faso,
Exploration Atacora S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 818 CMS Ouagadougou 11, Burkina Faso
Resources Tangayen S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 01 BP 390 Ouagadougou 01, Burkina Faso
Resources Burkinor S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 01 BP 390 Ouagadougou 01, Burkina Faso
Resources Ouango S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 01 BP 390 Ouagadougou 01, Burkina Faso
Resources Fitini S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 1196 CMS Ouagadougou 11, Burkina Faso
Resources Mouhoun S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 01 BP 390 Ouagadougou 01, Burkina Faso
Ressources Ferke S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 01 BP 390 Ouagadougou 01, Burkina Faso
Birimian Resources S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 1196 CMS Ouagadougou 11, Burkina Faso
Birimian Exploration S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 1196 Ouagadougou 11, Burkina Faso
Birimian Discovery S.à.r.l.	Exploration	Burkina Faso	100 %	100 %	Ouaga 2000 (Zone A) Secteur 53 Section B Lot 35 Parcelle 9, 11 BP 1196 Ouagadougou 11, Burkina Faso

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Entity	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held		Registered address
			31 December 2021	31 December 2020	
Wahgnion Gold Operations SA	Operations	Burkina Faso	90 %	—	Avenue Gérard Kango Ouédraogo, secteur 15, Ouaga 2000, 01 BP 1334 Ouagadougou 01, BURKINA FASO
Boss Minerals SARL	Exploration	Burkina Faso	100 %	—	Avenue Gérard Kango Ouédraogo, secteur 15, Ouaga 2000, 01 BP 1334 Ouagadougou 01, BURKINA FASO
Boss Gold SARL	Exploration	Burkina Faso	100 %	—	Avenue Gérard Kango Ouédraogo, secteur 15, Ouaga 2000, 01 BP 1334 Ouagadougou 01, BURKINA FASO
Gryphon Minerals Burkina Faso SARL	Exploration	Burkina Faso	100 %	—	Avenue Gérard Kango Ouédraogo, secteur 15, Ouaga 2000, 01 BP 1334 Ouagadougou 01, BURKINA FASO
MET CI S.à.r.l.	Exploration	Côte d'Ivoire	100 %	100 %	Cocody, Croisement du Boulevard Latrille et rue du Lycée Technique, Hotel Palm Club, 2ème étage, 06 BP 1334 Abidjan 06, Cote d'Ivoire
Agbaou Gold Operations SA	Operations	Côte d'Ivoire	—	85 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 06 BP 518 Abidjan 06 Abidjan, République de Côte d'Ivoire
Etruscan Resources Côte d'Ivoire S.à.r.l.	Exploration	Côte d'Ivoire	100	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 25 BP 603 Abidjan 25
Endeavour Aviation S.A.R.L.	Corporate	Côte d'Ivoire	100 %	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08
Keyman Investment S.A.	Holding	Côte d'Ivoire	100 %	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08
La Mancha Côte d'Ivoire S.à.r.l.	Exploration	Côte d'Ivoire	100 %	100 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 06 BP 2220 Abidjan 06
Société des Mines de Daapleu SA	Operations	Côte d'Ivoire	85 %	85 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08
Société des Mines d'Ity SA	Operations	Côte d'Ivoire	85 %	85 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08, République de Côte d'Ivoire
Société des Mines de Floleu S.A	Operations	Côte d'Ivoire	90 %	90 %	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08, République de Côte d'Ivoire
Société des Mines de Lafigué S.A	Operations	Côte d'Ivoire	80 %	—	Immeuble Palm Club, angle de la rue du Lycée Technique et du Boulevard Latrille, 08 BP 872 Abidjan 08, République de Côte d'Ivoire
Teranga Exploration (Ivory Coast) SARL	Exploration	Côte d'Ivoire	100 %	—	Abidjan Cocody, II Plateaux Vallons, Rue des Jardins, Immeuble NSIA Banque 3eme étage, 28 BP 1366, Abidjan 28, COTE D'IVOIRE
Afema Gold SA	Operations	Côte d'Ivoire	46 %	—	Abidjan Cocody, II Plateaux Vallons, Rue des Jardins, Immeuble NSIA Banque 3eme étage, 28 BP 1366, Abidjan 28, COTE D'IVOIRE
Taurus Gold CI SARL	Exploration	Côte d'Ivoire	51 %	—	Abidjan Cocody, II Plateaux Vallons, Rue des Jardins, Immeuble NSIA Banque 3eme étage, 28 BP 1366, Abidjan 28, COTE D'IVOIRE
Avion Mali Exploration S.A.	Exploration	Mali	100 %	100 %	Badalabougou-Est, Rue 12, Villa N°5, 03 BP 68 Bamako 03 République du Mali
Avion Mali West Exploration S.A.	Exploration	Mali	100 %	100 %	Badalabougou-Est, Rue 12, Villa N°5, 03 BP 68 Bamako 03 République du Mali
Avnel Mali S.à.r.l.	Exploration	Mali	100 %	100 %	Bamako Torokorobougou 03 BP 68 Bamako 03 République du Mali

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Entity	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held		Registered address
			31 December 2021	31 December 2020	
Bluebird Mali S.à.r.l.	Exploration	Mali	100 %	100 %	Badalabougou-Est, Rue 12, Villa N°5, 03 BP 68 Bamako 03 République du Mali
Nevsun Mali Exploration Ltd. SA	Exploration	Mali	100 %	100 %	Badalabougou-Est, Rue 12, Villa N°5, 03 BP 68 Bamako 03 République du Mali
Société des Mines d'Or de Kalana SA	Operations	Mali	80 %	80 %	Badalabougou Est, rue 12, villa n°5, 03 BP 68 Bamako 03 République du Mali.
Etruscan Resources Ghana Limited	Exploration	Ghana	100 %	100 %	Y/B 15 Augusto Neto Road, Airport Residential Area, Accra, Ghana
Endeavour Niger SA	Exploration	Niger	70 %	70 %	457 boulevard de l'indépendance, plateau, Niamey, Niger, BP 10.014
Endeavour Guinée S.à.r.l.	Exploration	Guinée	100 %	100 %	5ème étage n°502, Résidence Joulia, Conakry, Guinée
Endeavour Siguiri.	Exploration	Guinée	100 %	—	5ème étage n°502, Résidence Joulia, Conakry, Guinée
Blue Gold Mining Inc.	Holding	Canada	100 %	100 %	Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 0C5
Burkina Gold Corporation	Holding	Canada	100 %	100 %	Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 0C5
Teranga Gold (Burkina Faso) Corporation	Holding	Canada	100 %	—	66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto ON M5K 1E6, Canada
Teranga Gold (Mohanta) Corporation	Holding	Canada	100 %	—	66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto ON M5K 1E6, Canada
Teranga Gold (Senegal) Corporation	Holding	Canada	100 %	—	66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto ON M5K 1E6, Canada
Teranga Gold (Ivory Coast) Corporation	Holding	Canada	100 %	—	66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto ON M5K 1E6, Canada
Oromin Explorations Ltd.	Holding	Canada	100 %	—	66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto ON M5K 1E6, Canada
Kalana Holdings	Holding	Cayman	100 %	100 %	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands
Lafigué Holdings	Holding	Cayman	100 %	—	Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands
Kalana Mines Services Limited	Corporate	United Kingdom	100 %	100 %	2nd Floor, 5 Young Street, London, UK W8 5EH
Joint Venture BF1	Holding	British Virgin Islands	79 %	79 %	PO Box 173, Road Town, Tortola, VG1110, British Virgin Islands.
Hounde Exploration BF1 Inc	Holding	British Virgin Islands	79 %	79 %	PO Box 173, Road Town, Tortola, VG1110, British Virgin Islands.
Sarama JV Holdings Limited	Holding	British Virgin Islands	79 %	79 %	PO Box 173, Road Town, Tortola, VG1110, British Virgin Islands.
Teranga Gold Burkina Faso (B.V.I.) Corporation	Holding	British Virgin Islands	100 %	—	c/o Maples and Calder, Ritter House, PO Box 173, Road Town, Tortola, VG1110, British Virgin Islands
Teranga Gold (B.V.I) Corporation	Holding	British Virgin Islands	100 %	—	c/o Maples and Calder, Ritter House, PO Box 173, Road Town, Tortola, VG1110, British Virgin Islands

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			31 December 2021	31 December 2020	
Oromin Joint Venture Group Ltd.	Holding	British Virgin Islands	100 %	—	c/o Harneys Corporate Services Limited, Craigmuir Chambers, PO Box 71, Road Town, Tortola VG1110, British Virgin Islands
Sabodala Holdings Limited	Holding	British Virgin Islands	100 %	—	c/o Harneys Corporate Services Limited, Craigmuir Chambers, PO Box 71, Road Town, Tortola VG1110, British Virgin Islands
Taurus Gold Afema Holdings Ltd.	Holding	British Virgin Islands	51 %	—	C/o Maples Corporate Services (BVI) Limited, Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands
Orbis Gold Pty Ltd	Holding	Australia	100 %	100 %	Level 8, Waterfront Place, 1 Eagle Street, Brisbane Qld, Australia 4000
MET BF Pty. Ltd	Holding	Australia	100 %	100 %	Level 8, Waterfront Place, 1 Eagle Street, Brisbane Qld, Australia 4000
Teranga Gold (Australia) Pty Ltd	Holding	Australia	100 %	—	BLACKSTONE MINERALS LIMITED, LEVEL 3 , 24 OUTRAM STREET , WEST PERTH WA 6005
Gryphon Minerals Burkina Faso Pty Ltd	Holding	Australia	100 %	—	BLACKSTONE MINERALS LIMITED, LEVEL 3 , 24 OUTRAM STREET , WEST PERTH WA 6005
Gryphon Minerals West Africa Pty Ltd	Holding	Australia	100 %	—	BLACKSTONE MINERALS LIMITED, LEVEL 3 , 24 OUTRAM STREET , WEST PERTH WA 6005
Sabodala Gold Operations SA	Operations	Senegal	90 %	—	2 K Plaza, Route du Méridien Président, Dakar
Sabodala Mining Company SARL	Exploration	Senegal	100 %	—	2 K Plaza, Route du Méridien Président, Dakar
Massawa SA	Operations	Senegal	90 %	—	2 K Plaza, Route du Méridien Président, Dakar
Sabodala Gold (Mauritius) Limited	Exploration	Mauritius	100 %	—	C/O Juristax Corporate Fiduciary & Fund Services, Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201 Republic of Mauritius
SGML (Capital) Limited	Holding	Mauritius	100 %	—	C/O Juristax Corporate Fiduciary & Fund Services, Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201 Republic of Mauritius
Loumana Holdings Ltd.	Holding	Mauritius	100 %	—	C/O Juristax Corporate Fiduciary & Fund Services, Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201 Republic of Mauritius
Massawa (Jersey) Limited	Holding	Jersey	100 %	—	2nd Floor Sir Walter Raleigh House, 48-50 Esplanade, St Helier, Jersey, JE2 3QB
Exploration Atacora S.à.r.l.	Exploration	Benin	100 %	—	Ilot 6414 A M, Quartier Agori Aledjo, Abomey, Calavin, Cotonou, Bénin

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23 SEGMENTED INFORMATION

The Group operates in four principal countries, Burkina Faso (Karma, Houndé, Wahgnion, Mana and Boungou mines), Côte d'Ivoire (Ity mine), Senegal (Sabodala-Massawa mine) and Mali (Kalana Project). The following table provides the Group's results by operating segment in the way information is provided to and used by the Company's chief operating decision maker, which is the CEO, to make decisions about the allocation of resources to the segments and assess their performance. The Group considers each of its operational mines a separate segment. Discontinued operations are not included in the segmented information below. Exploration and Corporate are aggregated and presented together as part of the "other" segment on the basis of them sharing similar economic characteristics.

YEAR ENDED 31 DECEMBER 2021									
	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine	Sabodala Massawa Mine	Wahgnion Mine	Other	Total
Revenue									
Gold revenue	499.6	147.3	522.3	378.2	304.7	641.9	284.1	—	2,778.1
Cost of sales									
Operating expenses	(181.8)	(91.5)	(161.9)	(179.5)	(104.7)	(209.2)	(134.3)	—	(1,062.9)
Depreciation and depletion	(82.5)	(48.9)	(82.1)	(68.7)	(110.8)	(174.7)	(71.4)	(9.6)	(648.7)
Royalties	(27.5)	(13.4)	(35.7)	(25.2)	(18.5)	(35.9)	(19.5)	—	(175.7)
Earnings/(loss) from continuing mine operations	\$ 207.8	\$ (6.5)	\$ 242.6	\$ 104.8	\$ 70.7	\$ 222.1	\$ 58.9	\$ (9.6)	\$ 890.8
Impairment of mining interests and goodwill	\$ —	\$ 11.7	\$ —	\$ —	\$ 246.3	\$ —	\$ —	\$ 1.4	\$ 259.4
YEAR ENDED 31 DECEMBER 2020									
	Ity Mine	Karma Mine	Houndé Mine	Mana Mine	Boungou Mine			Other	Total
Revenue									
Gold revenue			363.9	145.2	494.0	233.0	188.0	—	1,424.1
Cost of sales									
Operating expenses			(139.3)	(100.4)	(156.6)	(86.2)	(89.0)	(3.3)	(574.8)
Depreciation and depletion			(36.2)	(58.7)	(62.6)	(59.6)	(36.6)	(7.5)	(261.2)
Royalties			(19.8)	(13.4)	(38.8)	(15.2)	(11.5)	—	(98.7)
Earnings/(Loss) from continuing mine operations			\$ 168.6	\$ (27.3)	\$ 236.0	\$ 72.0	\$ 50.9	\$ (10.8)	\$ 489.4
Impairment of mining interests and goodwill			\$ —	\$ 44.6	\$ —	\$ —	\$ —	\$ 19.9	\$ 64.5

Segment revenue reported represents revenue generated from external customers. There were no inter-segment sales during the periods ended 31 December 2021 or 31 December 2020. The Group is not economically dependent on a limited number of customers for the sale of gold because gold can be sold through numerous commodity market traders worldwide.

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The Company's assets and liabilities, including geographic location of those assets and liabilities, are detailed below:

	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houndé Mine Burkina Faso	Mana Mine Burkina Faso	Boungou Mine Burkina Faso	Sabodala- Massawa Mine Senegal	Wahgnion Mine Burkina Faso	Other	Total
Balances as at 31 December 2021									
Current assets	156.6	32.9	199.3	204.1	126.7	251.2	107.2	288.0	1,366.0
Mining interests	429.1	25.0	463.4	419.9	434.5	2,048.2	524.9	635.2	4,980.2
Goodwill	—	—	—	39.6	—	94.7	—	0.1	134.4
Other long-term assets	61.0	13.7	28.7	9.4	6.7	112.3	(3.8)	62.3	290.3
Total assets	\$ 646.7	\$ 71.6	\$ 691.4	\$ 673.0	\$ 567.9	\$ 2,506.4	\$ 628.3	\$ 985.6	\$ 6,770.9
Current liabilities	99.1	24.4	76.1	63.7	46.1	113.6	49.5	94.6	567.1
Other long-term liabilities	45.5	16.8	53.4	81.9	120.0	419.3	68.0	1,013.2	1,818.1
Total liabilities	\$ 144.6	\$ 41.2	\$ 129.5	\$ 145.6	\$ 166.1	\$ 532.9	\$ 117.5	\$ 1,107.8	\$ 2,385.2
For the year ended 31 December 2021									
Capital expenditures	\$ 83.0	\$ 4.9	\$ 78.2	\$ 85.0	\$ 46.5	\$ 126.7	\$ 47.7	\$ 78.6	\$ 550.6

	Ity Mine Côte d'Ivoire	Karma Mine Burkina Faso	Houndé Mine Burkina Faso	Mana Mine Burkina Faso	Boungou Mine Burkina Faso	Other	Total ¹
Balances as at 31 December 2020							
Current assets		87.6	50.6	152.8	195.3	309.4	917.1
Mining interests		441.5	70.6	467.7	438.3	450.9	2,577.8
Goodwill		—	—	—	10.5	47.9	71.5
Other long-term assets		65.4	13.0	28.4	10.2	1.1	122.0
Total assets		\$ 594.5	\$ 134.2	\$ 648.9	\$ 654.3	\$ 847.2	\$ 3,688.4
Current liabilities		110.6	28.8	80.7	68.3	46.3	410.1
Other long-term liabilities		17.4	13.9	49.4	64.9	759.6	1,098.0
Total liabilities		\$ 128.0	\$ 42.7	\$ 130.1	\$ 133.2	\$ 805.9	\$ 1,508.1
For the year ended 31 December 2020							
Capital expenditures		\$ 65.4	\$ 17.4	\$ 59.2	\$ 45.9	\$ 48.3	\$ 245.4

1. Totals are excluding assets and liabilities classified as held for sale as at 31 December 2020.

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24 CAPITAL MANAGEMENT

The Group's objectives of capital management are to safeguard the entity's ability to support the Group's normal operating requirements on an ongoing basis, continue the development and exploration of its mining interests and support any expansionary plans.

In the management of capital, the Group includes the components of equity, finance obligations, and long-term debt, net of cash and cash equivalents and restricted cash.

Capital, as defined above, is summarised in the following table:

	31 December 2021	31 December 2020
Equity	4,385.7	2,248.9
Long-term debt	841.9	688.3
Lease liabilities	51.1	37.2
	5,278.7	2,974.4
Less:		
Cash and cash equivalents	(906.2)	(645.0)
Restricted cash	(31.6)	(24.4)
Total	\$ 4,340.9	\$ 2,305.0

The Group manages its capital structure and adjusts it considering changes in its economic environment and the risk characteristics of the Group's assets. To effectively manage the entity's capital requirements, the Group has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Group has the appropriate liquidity to meet its operating and growth objectives. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group is not subject to any externally imposed capital requirements with the exception of complying with covenants under the RCF and Senior Notes. As at 31 December 2021 and 31 December 2020, the Group was in compliance with these covenants.

25 COMMITMENTS AND CONTINGENCIES

The Group has commitments in place at all seven of its mines and other key projects for drill and blasting services, load and haul services, supply of explosives and supply of hydrocarbon services. At 31 December 2021, the Group has approximately \$66.7 million in commitments relating to on-going capital projects at its various mines.

The Group is, from time to time, involved in various claims, legal proceedings, tax assessments and complaints arising in the ordinary course of business from third parties. The Group cannot reasonably predict the likelihood or outcome of these actions. The Group does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations. The Group has recognised tax provisions with respect to current assessments received from the tax authorities in the various jurisdictions in which the Group operates, and from uncertain tax positions identified upon the acquisition of SEMAFO and Teranga as well as through review of the Group's historical tax positions. For those amounts recognised related to current tax assessments received, the provision is based on management's best estimate of the outcome of those assessments, based on the validity of the issues in the assessment, management's support for their position, and the expectation with respect to any negotiations to settle the assessment. Management re-evaluates the outstanding tax assessments regularly to update their estimates related to the outcome for those assessments taking into account the criteria above. Management evaluates its uncertain tax positions regularly to update for changes to the tax legislation, the results of any tax audits undertaken, the correction of the uncertain tax position through subsequent tax filings, or the expiry of the period for which the position can be re-assessed. Management considers the material elements of any other claims to be without merit or foundation and will strongly defend its position in relation to these matters and following the appropriate process to support its position. Accordingly, no provision or further disclosure has been made as the likelihood of a material outflow of economic benefits in respect of such claims is considered remote. In forming this assessment, management has considered the professional advice received, the mining conventions and tax laws in place in the various jurisdictions, and the facts and circumstances of each individual claim.

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The Group has received a notice of claim from a former service provider. The Group is taking legal advice on the merits of the claim and the probable outcome but intends to vigorously defend against the claims. The Group does not believe that the outcome of the claim will have a material impact to the Group's financial position.

The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Group believes its operations are materially in compliance with all applicable laws and regulations. The Group has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Group assumed a gold stream when it acquired the Karma Mine on 26 April 2016 ("Karma stream"), and when it acquired the Sabodala-Massawa mine on 10 February 2021 ("Sabodala stream").

- Under the Karma stream, the Group was obligated to deliver 100,000 ounces of gold (20,000 ounces per year) to Franco-Nevada Group and Sandstorm Gold Inc. (the "Syndicate") over a five-year period, which commenced on 31 March 2016, in exchange for 20% of the spot price of gold for each ounce of gold delivered (the "ongoing payment"). The amount that was previously advanced for this agreement of \$100.0 million is reduced on each delivery by the excess of the spot price of the gold delivered over the ongoing payment. Following the five-year period, the Group is committed to deliver refined gold equal to 6.5% of the gold production at the Karma Mine for the life of the mine in exchange for ongoing payments. The Group delivered an additional 7,500 ounces between July 2017 and April 2019 in exchange for an additional deposit of \$5.0 million received in 2017. Gold ounces sold to the Syndicate under the stream agreement are recognised as revenue only on the actual proceeds received, which per the agreement is 20% of the spot gold price. As at 31 March 2021, the Group had completed the delivery of 100,000 ounces of gold and had started delivering 6.5% of gold production at the Karma Mine to the syndicate.
- Under the Sabodala stream, the Group is required to deliver 783 ounces of gold per month beginning 1 September 2020 until 105,750 ounces have been delivered to Franco-Nevada (the "Fixed Delivery Period") based on the Sabodala standalone life of mine plan prior to the Massawa Acquisition by Teranga on 4 March 2020. At the end of the Fixed Delivery Period, any difference between total gold ounces delivered during the Fixed Delivery Period and 6 percent of production from the Group's existing properties in Senegal (excluding Massawa) could result in a credit from or additional gold deliveries to Franco-Nevada. Subsequent to the Fixed Delivery Period, the Group is required to deliver 6 percent of production from the Group's existing properties in Senegal (excluding Massawa). For ounces of gold delivered to Franco-Nevada under the Stream Agreement, Franco-Nevada pays the Group cash at the date of delivery for the equivalent of the prevailing spot price of gold for on 20 percent of the ounces delivered. Revenue is recognised on actual proceeds received. The Group delivered 8,616 ounces during the period ended 31 December 2021 after its acquisition of Teranga and as at 31 December 2021, 92,089 ounces is still to be delivered under the Fixed Delivery Period.

26 SUBSEQUENT EVENTS

Share buyback programme

Subsequent to 31 December 2021 and up to 9 March 2022, the Group has repurchased a total of 1,049,100 shares at an average price of \$23.31 for total cash outflows of \$24.5 million.

Disposal of Karma mine

On 11 March 2022, management announced that it had completed the disposal of its 90% interest in the Karma mine to Néré Mining SA. The consideration upon sale of the Karma mine has an estimated fair value of \$25.0 million (Note 6).

Dividend

On 24 January 2022, the Board of Directors of the Company declared a dividend of \$0.28 per share totalling \$70.0 million. The dividend was paid on 16 March 2022 to shareholders on record on the close of business on 11 February 2022.

Forward contracts

In January 2022, the Company entered into additional forward sales contract for approximately 400,000 ounces of production in 2022 and 120,000 ounces of production in 2023 at average gold prices of \$1,822 per ounce and \$1,828 per ounce, respectively. The 2022 additional forward sales are weighted towards the first quarter, with forward sales contracts for 200,000 ounces at an average price of \$1,817 per ounce, and the remaining 200,000 ounces, at an average gold price of \$1,827 per ounce, being equally weighted through the rest of 2022. The settlement of the 2023 forward sales are equally weighted through the year.

Warrants

Subsequent to 31 December 2021, all outstanding warrants were exercised for cash proceeds of \$13.9 million.