SEMAFO Inc.

Condensed Interim Consolidated Financial Statements (unaudited)

June 30, 2019

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Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management.

The Corporation's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Interim Consolidated Statements of Financial Position

(Expressed in thousands of US dollars - unaudited)

	As at June 30, 2019 $ (Note 4)	As at December 31, 2018 $
Assets		
Current assets		
Cash and cash equivalents (note 6)	**108,858**	96,519
Trade and other receivables (note 7)	**46,397**	29,434
Income tax receivable	**5,870**	6,390
Inventories (note 8)	**86,355**	83,211
Other current assets	**5,601**	5,378
	253,081	220,932
Non-current assets		
Advance receivable	**1,779**	2,117
Restricted cash (note 6)	**25,305**	25,340
Property, plant and equipment (note 10)	**835,787**	782,060
Intangible asset	**1,133**	1,204
Other non-current financial assets (note 11)	**1,110**	2,622
	865,114	813,343
Total assets	**1,118,195**	1,034,275
Liabilities		
Current liabilities		
Trade payables and accrued liabilities	**66,878**	63,905
Current portion of long-term debt (note 12)	**60,026**	60,181
Current portion of lease liabilities (note 13)	**12,325**	7,820
Current portion of share unit plan liabilities (note 18)	**6,078**	3,311
Provisions (note 14)	**2,930**	3,051
	148,237	138,268
Non-current liabilities		
Long-term debt (note 12)	**28,476**	57,388
Lease liabilities (note 13)	**22,887**	20,144
Share unit plan liabilities (note 18)	**3,873**	2,263
Provisions (note 14)	**24,581**	23,561
Deferred income tax liabilities	**65,044**	39,548
	144,861	142,904
Total liabilities	**293,098**	281,172
Equity		
Shareholders of the Corporation		
Share capital	**646,005**	623,604
Contributed surplus	**6,555**	6,771
Accumulated other comprehensive loss	**(18,427)**	(18,909)
Retained earnings	**144,281**	109,216
	778,414	720,682
Non-controlling interests	**46,683**	32,421
Total equity	**825,097**	753,103
Total liabilities and equity	**1,118,195**	1,034,275

Financial commitments and contingencies (note 22)
Event after the reporting period (note 25)

Approved by the Board of Directors,

Gilles Masson, CPA, CA, Director

Benoit Desormeaux, CPA, CA, Director

Interim Consolidated Statements of Income (Loss)

(Expressed in thousands of US dollars, except per share amounts - unaudited)

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	2019	2018
	$	$	$	$
Revenue – Gold sales	134,985	58,517	273,526	121,215
Costs of operations				
Mining operation expenses (note 16)	53,653	38,679	105,058	78,457
Depreciation of property, plant and equipment	40,938	22,583	80,566	48,011
General and administrative (note 17)	3,949	3,859	7,909	7,776
Corporate social responsibility expenses	17	341	374	563
Share-based compensation (note 18)	3,687	613	6,519	2,031
Operating income (loss)	32,741	(7,558)	73,100	(15,623)
Other expenses (income)				
Finance income	(612)	(612)	(1,160)	(1,253)
Finance costs (note 19)	3,065	287	6,621	600
Foreign exchange (gain) loss	(286)	1,292	210	864
Income (loss) before income taxes	30,574	(8,525)	67,429	(15,834)
Income tax expense (recovery)				
Current	1,139	(238)	1,873	289
Deferred	10,573	2,826	25,572	(110)
	11,712	2,588	27,445	179
Net income (loss) for the period	18,862	(11,113)	39,984	(16,013)
Attributable to:				
Shareholders of the Corporation	15,705	(10,431)	33,371	(15,141)
Non-controlling interests (note 20)	3,157	(682)	6,613	(872)
	18,862	(11,113)	39,984	(16,013)
Earnings (loss) per share (note 21)				
Basic	0.05	(0.03)	0.10	(0.05)
Diluted	0.05	(0.03)	0.10	(0.05)

Interim Consolidated Statements of Comprehensive Income (Loss)

(Expressed in thousands of US dollars - unaudited)

	Three-month period ended June 30, 2019 $	Three-month period ended June 30, 2018 $	Six-month period ended June 30, 2019 $	Six-month period ended June 30, 2018 $
Net income (loss) for the period	**18,862**	(11,113)	**39,984**	(16,013)
Other comprehensive income (loss)				
Item that will not be reclassified to profit or loss				
Changes in fair value of equity investments at FVOCI (net of tax of nil)	**(173)**	(478)	**2,176**	(1,031)
Comprehensive income (loss) for the period, net of tax	**18,689**	(11,591)	**42,160**	(17,044)
Attributable to:				
Shareholders of the Corporation	**15,532**	(10,909)	**35,547**	(16,172)
Non-controlling interests (note 20)	**3,157**	(682)	**6,613**	(872)
	18,689	(11,591)	**42,160**	(17,044)

Interim Consolidated Statements of Changes in Equity

(Expressed in thousands of US dollars, except per share amounts - unaudited)

	Attributable to shareholders of the Corporation							
	Share capital							
	Common shares	Amount	Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings	Total	Non-controlling interests	TOTAL EQUITY
	(in thousands)	$	$	$	$	$	$	$
Balance - December 31, 2017	324,982	622,294	7,220	2,256	97,710	729,480	31,082	760,562
Adjustment on adoption of IFRS 9 (net of tax)	—	—	—	(19,600)	19,600	—	—	—
Balance - January 1, 2018	324,982	622,294	7,220	(17,344)	117,310	729,480	31,082	760,562
Net loss for the period	—	—	—	—	(15,141)	(15,141)	(872)	(16,013)
Other comprehensive loss for the period								
Changes in fair value of equity investments at FVOCI (net of tax of nil) (note 15)	—	—	—	(1,031)	—	(1,031)	—	(1,031)
Reclassification of AOCI to retained earnings on the sale of equity investment	—	—	—	(98)	98	—	—	—
Total comprehensive loss for the period, net of tax	**—**	**—**	**—**	**(1,129)**	**(15,043)**	**(16,172)**	**(872)**	**(17,044)**
Shares issued from the exercise of options	635	1,310	(449)	—	—	861	—	861
Balance – June 30, 2018	**325,617**	**623,604**	**6,771**	**(18,473)**	**102,267**	**714,169**	**30,210**	**744,379**
Balance – January 1, 2019	325,617	623,604	6,771	(18,909)	109,216	720,682	32,421	753,103
Net income for the period	—	—	—	—	33,371	33,371	6,613	39,984
Other comprehensive income for the period								
Changes in fair value of equity investments at FVOCI (net of tax of nil) (note 15)	—	—	—	2,176	—	2,176	—	2,176
Total comprehensive income for the period, net of tax	**—**	**—**	**—**	**2,176**	**33,371**	**35,547**	**6,613**	**42,160**
Shares issued from the exercise of options	1,063	3,059	(1,573)	—	—	1,486	—	1,486
Reclassification of AOCI balance related to Savary Gold Corporation to retained earnings (notes 9 and 15)	—	—	—	(1,694)	1,694	—	—	—
Acquisition of Savary Gold Corporation (note 9)	7,299	19,342	1,357	—	—	20,699	7,649	28,348
Balance – June 30, 2019	**333,979**	**646,005**	**6,555**	**(18,427)**	**144,281**	**778,414**	**46,683**	**825,097**

Interim Consolidated Statements of Cash Flows

(Expressed in thousands of US dollars - unaudited)

	Three-month period ended June 30, 2019 $	Three-month period ended June 30, 2018 $	Six-month period ended June 30, 2019 $	Six-month period ended June 30, 2018 $
Cash flows from (used in):				
Operating activities				
Net income (loss) for the period	**18,862**	(11,113)	**39,984**	(16,013)
Adjustments for:				
Depreciation of property, plant and equipment	**40,938**	22,583	**80,566**	48,011
Share-based compensation	**3,687**	613	**6,519**	2,031
Amortization of deferred transaction costs	**377**	—	**877**	—
Unrealized foreign exchange loss (gain)	**(332)**	991	**(216)**	439
Deferred income tax expense (recovery)	**10,573**	2,826	**25,572**	(110)
Other	**234**	(61)	**17**	(128)
Cash flow from operating activities before changes in non-cash working capital	**74,339**	15,839	**153,319**	34,230
Changes in non-cash working capital items (note 23 a)	**(4,246)**	5,039	**(19,982)**	(10,597)
Net cash provided by operating activities	**70,093**	20,878	**133,337**	23,633
Financing activities				
Repayment of long-term debt (note 12)	**(15,000)**	—	**(30,000)**	—
Repayment of equipment financing (note 12)	**(78)**	(78)	**(155)**	(155)
Payments of lease liabilities (note 13)	**(3,261)**	(1,165)	**(5,386)**	(2,310)
Proceeds on issuance of share capital, net of expenses	**1,056**	120	**1,486**	861
Net cash used in financing activities	**(17,283)**	(1,123)	**(34,055)**	(1,604)
Investing activities				
Acquisitions of property, plant and equipment (note 23 c)	**(44,237)**	(48,700)	**(87,416)**	(109,856)
Net cash received on acquisition of Savary Gold Corporation (note 9)	**232**	—	**232**	—
Proceeds (acquisitions) from equity investments	**63**	98	**63**	(1,508)
Net cash used in investing activities	**(43,942)**	(48,602)	**(87,121)**	(111,364)
Effect of exchange rate changes on cash and cash equivalents	**1,005**	(1,702)	**178**	(744)
Change in cash and cash equivalents during the period	**9,873**	(30,549)	**12,339**	(90,079)
Cash and cash equivalents – Beginning of period	**98,985**	139,420	**96,519**	198,950
Cash and cash equivalents – End of period	**108,858**	108,871	**108,858**	108,871
Interest paid	**2,611**	2,406	**5,386**	4,736
Interest received	**615**	739	**1,163**	1,449
Income tax paid	**—**	2,010	**851**	3,366

Supplementary information on non-cash items (note 23 b)

1. Incorporation and Nature of Activities of the Corporation

SEMAFO Inc. (the "Corporation") is governed by the *Business Corporations Act* (Quebec) and is listed on the Toronto Stock Exchange ("TSX") and on the NASDAQ OMX Stockholm Exchange. The Corporation's headquarters are located at 100 Alexis-Nihon Boulevard, 7th floor, Saint-Laurent, Quebec, Canada, H4M 2P3.

The Corporation's subsidiaries are engaged in gold mining activities including exploration, development and operations. These activities are conducted in West Africa. The Corporation operates two mines, the Boungou and Mana Mines in Burkina Faso. SEMAFO is committed to building value through responsible mining of its quality assets and leveraging its development pipeline. The Corporation's subsidiaries have interests in mining properties. The potential for recovery of costs incurred on these properties and of related deferred charges depends on the existence of sufficient quantities of reserves, the ability to obtain and maintain all required permits, the ability to obtain appropriate financing to put these mining properties into production and the ability to realize a profitable return for the Corporation.

2. Basis of Preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB").

The accounting policies followed in these condensed interim consolidated financial statements are consistent with those applied in the Corporation's annual financial statements for the year ended December 31, 2018, except for the adoption of new accounting standards as described in note 4. These condensed interim consolidated financial statements should be read in conjunction with the Corporation's annual financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB.

The Board of Directors approved these condensed interim consolidated financial statements on August 6, 2019.

3. Summary of Significant Accounting Policies

The following significant accounting policies complement those described in our annual audited consolidated financial statements for the period ended December 31, 2018.

Leases

The Corporation is a party to lease contracts for, among others:

a) Buildings and equipment related to mining production
    - office space
    - workshop
    - tank

b) Mining equipment

c) Rolling stock, communication and computer equipment.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Corporation. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of use asset is depreciated over the lease term on a straight-line basis or over the operating life of the mine based on estimated recoverable ounces of gold (the units of production method).

3. Summary of Significant Accounting Policies (continued)

Leases (continued)

Right-of-use assets

The right-of-use assets are initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives;
- any initial direct costs incurred by the Corporation; and
- restoration costs.

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable by the Corporation under residual value guarantees;
- the exercise price of a purchase option if the Corporation 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 payments are discounted using the Corporation’s incremental borrowing rate unless the implicit rate in the lease contract is readily determinable in which case the latter is used.

Extension and termination options are included in a number of the Corporation's property and equipment leases. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Corporation and not by the respective lessor. The lease term determined by the Corporation comprises:

- a non-cancellable period of lease contracts;
- periods covered by an option to extend the lease if the Corporation is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the Corporation is reasonably certain not to exercise that option.

Exemptions

The Corporation elected to apply exemptions for leases for which the underlying asset is of low value or for which the lease term does not exceed 12 months. Payments associated with such leases are recognized on a straight-line basis as an expense in profit or loss.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

4. New Accounting Standards Issued and in Effect

IFRS 16, *Leases* ("IFRS 16")

On January 1, 2019, the Corporation adopted IFRS 16, which establishes the principles that an entity should use to determine the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 replaces the previous leases standard, IAS 17, *Leases*, and related Interpretations.

The most significant change of adopting IFRS 16 is the recognition of right-of-use assets and lease liabilities for existing operating leases under IAS 17.

The Corporation has adopted the standard on a retrospective basis with the cumulative effect of initially applying IFRS 16 recorded as of January 1, 2019, with any effect recorded to the retained earnings and no restatement of prior years. Since the Corporation recognized the right-of-use assets at the amount equal to the lease liabilities less any lease accruals, there was no impact on the retained earnings upon adoption. For leases previously classified as finance leases under IAS 17, the right-of-use asset and the lease liability as of January 1, 2019 were determined as the carrying amount of the lease asset and lease liability immediately before that date, measured applying IAS 17.

The adoption of IFRS 16 resulted in the recognition of additional right-of-use assets (within property, plant and equipment) and lease liabilities for operating leases in the amount of $7,371,000 as at January 1, 2019. These liabilities were measured at the present value of the remaining lease payments, discounted using the Corporation's incremental borrowing rate as of January 1, 2019, which was an average rate of 7% or using the implicit rate in the contract.

In applying IFRS 16 for the first time, the Corporation has used the following expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases (lease-by-lease basis);
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease; and
- the reliance on its assessment of whether leases are onerous.

The Corporation has elected to recognize the expense of low-value leases on a straight-line basis over the lease term.

The following table provides a reconciliation between operating lease commitments as at December 31, 2018 applying IAS 17 and the lease liabilities recognized as at January 1, 2019, applying IFRS 16:

	$
Operating lease commitments as per IAS 17 as at December 31, 2018	**8,762**
Discounted using the Corporation's incremental borrowing rate of 7% or the rate implicit in the lease contract	(981)
(Less): Transitional practical expedient - the lease term ends within 12 months of the date of initial application	(158)
(Less): low-value leases recognized on a straight-line basis	(252)
Subtotal - Additional lease liability from the initial application of IFRS 16	**7,371**
Add: finance lease liabilities recognized as per IAS 17 as at December 31, 2018 (note 13)	27,964
Lease liability as at January 1, 2019	**35,335**

IFRIC 23, *Uncertainty over Income Tax Treatments* ("IFRIC 23")

The interpretation clarifies application of recognition and measurement requirements in IAS 12 *Income Taxes* when there is uncertainty over income tax treatments. The interpretation specifically addresses the following:

a) Whether an entity considers uncertain tax treatments separately;
b) The assumptions an entity makes about the examination of tax treatments by taxation authorities;
c) How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
d) How an entity considers changes in facts and circumstances.

The Corporation adopted IFRIC 23 on January 1, 2019 and concluded that there is no impact on its financial statements upon its adoption.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

4. New Accounting Standards Issued and in Effect (continued)

IAS 23, *Borrowing Costs* ("IAS 23")

In December 2017, the IASB issued amendments to IAS 23. The amendments to IAS 23 clarify which borrowing costs are eligible for capitalization in particular circumstances.

The Corporation adopted IAS 23 on January 1, 2019 and concluded that there is no impact on its financial statements upon its adoption.

5. Critical Accounting Estimates and Judgments

Valuation of lease liabilities and right-of-use assets

The application of IFRS 16 requires the Corporation to make judgments that affect the valuation of the lease liabilities and the valuation of right-of-use assets. These include: determining contracts in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows.

The lease term determined by the Corporation generally comprises a non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Corporation is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Corporation is reasonably certain not to exercise that option. The same term is applied as economic useful life of right-of-use assets.

6. Cash

	As at June 30, 2019	As at December 31, 2018
Cash and cash equivalents	$	$
Cash	**82,527**	70,803
Cash equivalents	**26,331**	25,716
Total cash and cash equivalents	**108,858**	96,519
Restricted cash		
Deposit account in relation with the Credit Facility with Macquarie (note 12)	**15,000**	15,000
Funds held in trust for asset retirement obligations	**9,580**	9,639
Other	**725**	701
Total restricted cash	**25,305**	25,340
Total cash and cash equivalents and restricted cash	**134,163**	121,859

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

7. Trade and Other Receivables

	As at June 30, 2019	As at December 31, 2018
	$	$
Gold trade receivables	**388**	92
Other receivables	**45,161**	28,489
Current portion of the advance receivable	**848**	853
	46,397	29,434

Gold trade receivables relate to gold shipments not yet collected. They are non-interest bearing and are generally settled within 15 days.

Other receivables include VAT receivables totaling $43,405,000 as at June 30, 2019 (December 31, 2018: $27,381,000). They are non-interest bearing and are generally settled within 12 months. The VAT receivables that are past due (more than twelve months) amounted to $4,323,000 as at June 30, 2019 (December 31, 2018: nil).

For the three-month and six-month periods ended June 30, 2019, no provision expense was recorded on VAT receivables (Three-month period ended June 30, 2018, six-month period ended June 30, 2018: nil).

The Corporation holds no collateral for any receivable amounts outstanding as at June 30, 2019 (December 31, 2018: nil).

8. Inventories

	As at June 30, 2019	As at December 31, 2018
	$	$
Doré bars	**2,653**	3,141
Gold in circuit	**12,130**	15,604
Stockpiles	**15,052**	12,176
Supplies and spare parts	**56,520**	52,290
	86,355	83,211

For the three-month and six-month periods ended June 30, 2019, mainly in relation to spare parts, a net provision expense amounting to $233,000 and $510,000 was recorded, respectively (Three-month period ended June 30, 2018: $273,000, six-month period ended June 30, 2018: $836,000).

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

9. Acquisition of Savary Gold Corporation

In 2018, the Corporation acquired 39,533,333 shares in Savary Gold for an amount of $1.8 million. Proceeds of the investment was used by Savary to advance the Karankasso project. On April 30, 2019, the Corporation announced the completion of the previously announced acquisition (the "Transaction") whereby SEMAFO acquired all the remaining issued and outstanding shares of Savary Gold not previously held by SEMAFO. Under the terms of the Transaction, Savary Gold shareholders received 0.0336 SEMAFO common shares for each Savary Gold common share representing 7,299,407 shares issues by SEMAFO.

In accordance with IFRS 3, *Business Combinations*, a business combination is a transaction in which an acquirer obtains control of a business which is defined as an integrated set of activities and assets that is capable of being conducted and managed to provide a return to investors. For an integrated set of activities and assets to be considered a business, the set needs to contain inputs and processes and have the ability to generate outputs. The acquisition of Savary Gold does not meet the definition of a business combination, as the primary assets (Karankasso property) are exploration-stage properties. Consequently, the transaction has been recorded as an acquisition of a group of assets in accordance with IAS 16, Property, plant and equipment.

The total purchase price was allocated to the assets acquired and the liabilities assumed based on the fair value of the total consideration at the closing date of the transaction. All financial assets acquired and financial liabilities assumed were recorded at fair value.

The purchase price was calculated as follows:

Consideration paid	
7,299,407 SEMAFO common shares issued on closing	**19,342**
Assumed Savary Gold options and warrants on closing	**1,380**
Pre-closing common shares fair value and warrants held in Savary Gold	**3,718**
Transaction costs	**957**
Non-controlling interest[1]	**7,649**
	33,046
Net assets acquired	
Cash and cash equivalents	**1,136**
Trade and other receivables	**211**
Other current assets	**6**
Property, plant and equipment	**33,035**
Trade payables and accrued liabilities	**(1,342)**
	33,046

Reconciliation of net cash received on acquisition of Savary Gold Corporation

Cash acquired	**1,136**
Transaction costs[2]	**(904)**
	232

[1] Included a 23% non-controlling interest held by a third-party in Savary's main subsidiaries.
[2] The amount of transaction costs paid as at June 30, 2019.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

10. Property, Plant and Equipment

	Property, acquisition costs, deferred exploration and development costs	Exploration and evaluation assets (ii)	Mineral properties under develop-ment (iii)	Buildings and equipment related to mining production	Mining equipment	Rolling stock, communi-cation and computer equipment	TOTAL
	$	$	$	$	$	$	$
Six-month period ended June 30, 2019							
Opening net carrying amount	419,963	42,088	10,785	250,227	49,239	9,758	782,060
Addition as at January 1, 2019 from the transition to IFRS 16 (note 4)	—	—	—	1,716	4,270	1,385	7,371
Adjusted opening net carrying amount	419,963	42,088	10,785	251,943	53,509	11,143	789,431
Additions	57,481	6,405	—	6,656	4,760	635	75,937
Acquisition of Savary Gold (vi)	—	33,035	—	—	—	—	33,035
Underground development (iv)	—	—	21,614	—	—	—	21,614
Retirement of assets (v)	—	—	—	(15)	—	—	(15)
Depreciation charge	(51,990)	—	—	(20,459)	(10,001)	(1,765)	(84,215)
Closing net carrying amount	**425,454**	**81,528**	**32,399**	**238,125**	**48,268**	**10,013**	**835,787**
As at June 30, 2019							
Cost	763,687	81,528	32,399	385,942	126,861	22,127	1,412,544
Accumulated depreciation	(338,233)	—	—	(147,817)	(78,593)	(12,114)	(576,757)
Net book amount	**425,454**	**81,528**	**32,399**	**238,125**	**48,268**	**10,013**	**835,787**
Right-of-use assets (note 13)	—	—	—	5,153	26,974	2,070	34,197
Assets not subject to depreciation included in above (i)	544	81,528	32,399	4,080	1,783	12	120,346
Year ended December 31, 2018							
Opening net carrying amount	173,403	31,298	341,787	93,068	60,443	3,342	703,341
Additions	72,393	10,790	96,958	6,921	7,183	2,132	196,377
Underground development (iv)	—	—	10,785	—	—	—	10,785
Retirement of assets	(123)	—	—	(292)	(784)	—	(1,199)
Depreciation charge	(76,491)	—	—	(19,394)	(17,603)	(1,434)	(114,922)
Reclassification	250,781	—	(438,745)	169,924	—	5,718	(12,322)
Closing net carrying amount	419,963	42,088	10,785	250,227	49,239	9,758	782,060
As at December 31, 2018							
Cost	706,206	42,088	10,785	377,630	118,869	20,107	1,275,685
Accumulated depreciation	(286,243)	—	—	(127,403)	(69,630)	(10,349)	(493,625)
Net book amount	419,963	42,088	10,785	250,227	49,239	9,758	782,060
Assets not subject to depreciation included in above (i)	20	42,088	10,785	3,495	3,547	116	60,051

(i) Assets not subject to depreciation include capital spare parts not yet installed of $3,890,000 (December 31, 2018: $5,171,000) as well as assets under construction, in transit or exploration and evaluation assets of $116,456,000 (December 31, 2018: $54,880,000).

(ii) Exploration and evaluation assets mainly comprise farm-in agreements, mining rights and exploration and evaluation expenditures which typically include costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore such as topographical, geological, geochemical and geophysical studies.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

10. Property, Plant and Equipment (continued)

(iii) **Boungou project**

In 2015, the Corporation completed the acquisition of all Orbis Gold Limited shares and as a result, it acquired the Boungou gold project. On February 25, 2016, the Corporation announced the results of the feasibility study of the Boungou project. On March 29, 2016, the Corporation amended its credit facility with Macquarie Bank Limited ("Macquarie") in order to secure sufficient financial resources to bring Boungou into production. On December 22, 2016, the Council of Ministers of Burkina Faso approved the award of the Boungou mining permit. Upon the formal award of the mining decree, the Government of Burkina Faso is entitled to a 10% interest in the project; therefore reducing the Corporation's interest to 90%.

On December 22, 2016, management determined that the technical feasibility and commercial viability of the Boungou project had been established.

As at September 1, 2018, commercial production had been achieved at the Boungou Mine. As a result, the capitalization of pre-commercial costs ceased effective September 1, 2018, including borrowing costs. The Corporation reclassified amounts from "mineral properties under development" to appropriate property, plant and equipment categories and to inventories of $12,322,000.

Prior to commercial production being reached, the amount of borrowing costs capitalized for the year-end December 31, 2018 was $7,930,000. Borrowing costs consisted of interest expense and amortization of deferred transaction costs on the credit facility with Macquarie (note 12) and finance costs related to the lease liabilities (note 13). Gold sales resulting from pre-production activities are offset against capitalized costs and amounted to $14,994,000 in 2018.

(iv) **Siou underground development**

In February 2018, the Corporation completed a Mana pre-feasibility study ("PFS") that includes the underground mine at Siou. In September 2018, the Corporation began the 18-month Siou underground development. As a result, the development costs are capitalized as ''mineral properties under development'' and amounts capitalized will be carried at cost until the project has reached production. During the development period, the amount of borrowing costs capitalized for the three-month and six-month periods ended June 30, 2019 was $763,000 and $1,273,000 respectively (Three-month period ended June 30, 2018, six-month period ended June 30, 2018: nil). Borrowing costs consisted of interest expense and amortization of deferred transaction costs on the Credit Facility with Macquarie (note 12) and finance costs related to the lease liabilities (note 13).

(v) In the three-month and six-month periods ended June 30, 2019, the Corporation retired assets with a cost of $1,098,000 and accumulated depreciation of $1,083,000.

(vi) The acquisition of Savary Gold was completed as of April 30, 2019 (note 9). The total costs of the acquisition result in an addition of $33,035,000 in property, plant and equipment. Those costs were classified in the Exploration and Evaluation assets category. The costs were also allocated to specific exploration permits.

11. Other Non-Current Financial Assets

	As at June 30, 2019 $	As at December 31, 2018 $
Investment in GoviEx Uranium Inc ("GoviEx") (note 15)	**1,110**	1,079
Investment in Savary Gold (note 15)	—	1,450
Other	—	93
	1,110	2,622

On April 30, 2019, SEMAFO announced the completion of the previously announced Transaction whereby SEMAFO acquired all the remaining issued and outstanding shares of Savary Gold.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

12. Long-Term Debt

Long-term debt consists of the following:

	As at June 30, 2019 $	As at December 31, 2018 $
Credit Facility (a)	**90,000**	120,000
Unamortized deferred transaction costs	**(1,524)**	(2,612)
Equipment financing	**26**	181
Long-term debt, net of deferred transaction costs	**88,502**	117,569
Current portion	**60,026**	60,181
Non-current portion	**28,476**	57,388
	88,502	117,569

	Six-month period ended June 30, 2019 $	Year ended December 31, 2018 $
Balance - beginning of period	**117,569**	115,557
Principal repayment	**(30,155)**	(310)
Amortization of transaction costs	**1,088**	2,322
Balance - end of period	**88,502**	117,569

(a) Credit Facility with Macquarie

As at June 30, 2019, the credit facility with Macquarie ("Credit Facility") amounted to $90,000,000 and bore interest at a rate equal to LIBOR plus 4.75% per annum, with principal repayable in eight equal quarterly installments of $15,000,000, the first principal repayment was made on March 31, 2019. The Credit Facility is secured by a pledge of all assets of SEMAFO Inc., which include SEMAFO (Barbados) Limited shares.

The Corporation was required to maintain an amount of $25,000,000 in a distinct account until it has commenced its commercial production at the Boungou Mine and its Credit Facility is less than or equal to $90,000,000. As at June 30, 2019, these obligations were meet and the requirement no longer applies. However, the Corporation is required to deposit $15,000,000 until the Credit Facility is less than or equal to $30,000,000; this amount is recorded as restricted cash (note 6).

Since commercial production has been achieved at Boungou, the Credit Facility is subject to maintaining the minimum following consolidated covenants on a quarterly basis:

- Current Ratio of greater than 1.20:1.00
- Ratio of Net Debt to Trailing Two Quarter EBITDA of less than 5.00:1.00

As at June 30, 2019, all covenants were met.

The Corporation may prepay amounts outstanding under the Credit Facility in whole or in part, at any time, without penalty.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

13. Leases

Right-of-use assets are included within property, plant and equipment and consist of the following:

	Buildings and equipment related to mining production	Mining equipment	Rolling stock, communi-cation and computer equipment	TOTAL
	$	$	$	$
Six-month period ended June 30, 2019				
Opening net carrying amount (assets previously under finance leases under IAS 17	2,937	24,293	1,005	28,235
Addition as at January 1, 2019 from the transition to IFRS 16 (note 4)	1,716	4,270	1,385	7,371
Adjusted net carrying amount, as per IFRS 16	4,653	28,563	2,390	35,606
Additions	1,131	4,020	129	5,280
Depreciation charge	(631)	(5,609)	(449)	(6,689)
Closing net carrying amount	**5,153**	**26,974**	**2,070**	**34,197**

Lease liabilities consist of the following:

	As at June 30, 2019	As at December 31, 2018
	$	$
Opening balance, lease liabilities as per IAS 17 (previous finance leases under IAS 17)	27,964	23,711
Addition as at January 1, 2019 from the transition to IFRS 16 (note 4)	7,371	—
Adjusted opening balance, lease liabilities as per IFRS 16	35,335	23,711
New debt obligations under lease liabilities	5,280	9,738
Mobilization payment during the period	(433)	(154)
Payments during the period	(4,953)	(5,331)
Impact of foreign exchange	(17)	—
Closing balance, lease liabilities	**35,212**	**27,964**
Current portion	12,325	7,820
Non-current portion	22,887	20,144
	35,212	**27,964**

These liabilities were measured at the present value of the remaining lease payments, discounted using the Corporation's incremental borrowing rate of 7% or the interest rate implicit in one particular lease, which was 7.5% There are no restrictions or covenants imposed by the leases.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

14. Provisions

	As at June 30, 2019	As at December 31, 2018
	$	$
Current	**2,930**	3,051
Non-current	**24,581**	23,561
	27,511	26,612

	Asset retirement obligations	Other	Total
	$	$	$
As at January 1, 2018	11,939	3,388	15,327
Additional provisions	10,599	—	10,599
Variation due to accretion expense, exchange rate and provision used during the year	915	(229)	686
As at December 31, 2018	23,453	3,159	26,612
Additional provisions	296	—	296
Variation due to accretion expense, exchange rate and provision used during the period	819	(216)	603
As at June 30, 2019	**24,568**	**2,943**	**27,511**

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

15. Financial Instruments

Measurement Categories

Financial assets and financial liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognized in the profit or loss or in OCI. These categories are financial assets at amortized cost, financial assets at FVOCI and financial liabilities at amortized cost. The following table shows the carrying values of assets and liabilities for each of these categories as at June 30, 2019 and December 31, 2018.

	As at June 30, 2019 $	As at December 31, 2018 $
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents	**108,858**	96,519
Restricted cash	**25,305**	25,340
Gold trade receivables	**388**	92
Advance receivable	**2,627**	2,970
Other receivables (excluding VAT)	**1,756**	1,258
Financial assets at FVOCI		
Investment in GoviEx	**1,110**	1,079
Investment in Savary Gold	**—**	1,450
Other	**1,492**	776
	141,536	129,484
Financial liabilities		
Financial liabilities at amortized cost		
Trade payables and other financial liabilities	**53,831**	56,849
Long-term debt	**88,502**	117,569
Lease liabilities	**35,212**	27,964
	177,545	202,382

Financial Risk Factors

a) Market

i. Fair Value

Current financial assets and financial liabilities are valued at their carrying amounts, which are reasonable estimates of their fair value due to their near-term maturities; this includes cash and cash equivalents, gold trade receivables, other receivables (excluding VAT) and trade payables and other financial liabilities. The fair value of the advance receivable was estimated by discounting the future cash flows which approximates its carrying value. The fair value of restricted cash approximates its carrying amount. Long-term debt was accounted for at amortized cost, and its fair value approximates its carrying value.

The fair value hierarchy under which the Corporation's financial instruments are valued is as follows:

- Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly or indirectly; and
- Level 3 includes inputs for the asset or liability that are not based on observable market data.

The Corporation's finance department is responsible for performing the valuation of financial instruments, including Level 3 fair values. The valuation process and results are reviewed and approved by management every quarter, in line with the Corporation's quarterly reporting dates. Valuation results are discussed with the Audit Committee as part of its quarterly review of the Corporation's financial statements. On the basis of its analysis of the nature, characteristics and risks of equity securities, the Corporation has determined that presenting them by type of investment is appropriate.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

15. Financial Instruments (continued)

Advance Receivable

The advance receivable is measured at amortized cost using the effective interest rate method. As the information on fair value is disclosed for the advance receivable, it is classified as a Level 3 according to the Corporation's fair value hierarchy. The valuation technique used is the income approach (discounted future cash flows) with an effective interest rate of 7% over a seven-year period. Interest income is recognized in the statement of income (loss) as part of "finance income". The fair value as at June 30, 2019 was $2,627,000 (December 31, 2018: $2,970,000) and was not significantly different from its carrying amount.

Lease liabilities

Lease liabilities are recognized at the lower of the fair value and the present value of minimum lease payments at inception of the leases. Their fair value approximates their carrying value.

Investment in GoviEx

The investment in GoviEx, a publicly traded mineral resources company focused on the exploration and development of uranium properties in Africa, is classified as financial assets at FVOCI. Its fair value is a recurring measurement.

The investment in GoviEx is a Level 1 in the fair value hierarchy. In accordance with the Corporation's policy and using the last closing price observed on the TSX-V, the Corporation estimates its fair value to be $1,110,000 as at June 30, 2019 (December 31, 2018: $1,079,000).

Investment in Savary Gold

In 2018, the Corporation acquired 39,533,333 shares in Savary Gold for an amount of $1.8 million. Proceeds of the investment was used by Savary to advance the Karankasso project. On April 30, 2019, the Corporation announced the completion of the previously announced acquisition (the "Transaction") whereby SEMAFO acquired all the remaining issued and outstanding shares of Savary Gold not previously held by SEMAFO. Under the terms of the Transaction, Savary Gold shareholders received 0.0336 SEMAFO common shares for each Savary Gold common share representing 7,299,407 shares issues by SEMAFO.

As at April 30, 2019, the corporation estimate the fair value of Savary Gold's Common share to be $3,533,000 (December 31, 2018: $1,450,000) and the warrants' fair value to be $185,000 (please refer to note 9).

There were no transfers between Level 1, Level 2 and Level 3 during the three-month and six-month periods ended June 30, 2019.

16. Mining Operation Expenses

The following table details mining operation expenses by nature:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Operating and maintenance supplies and services	**34,549**	20,067	**67,744**	39,994
Fuel	**20,094**	11,318	**39,203**	23,343
Employee benefits expenses	**9,194**	6,937	**18,375**	15,104
Reagents	**4,686**	2,902	**9,138**	6,047
Inventory change	**(3,379)**	3,980	**(1,740)**	6,047
Less: Production expenses capitalized as stripping cost	**(18,497)**	(9,065)	**(41,823)**	(17,762)
Total Production costs	**46,647**	36,139	**90,897**	72,773
Government royalties and development taxes	**7,006**	2,540	**14,161**	5,684
Mining operation expenses	**53,653**	38,679	**105,058**	78,457

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

17. General and Administrative

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Corporate expenses	**3,087**	3,160	**6,287**	6,442
Sites – Administrative	**862**	699	**1,622**	1,334
	3,949	3,859	**7,909**	7,776

18. Share-Based Compensation

The following table details the share unit plan liabilities:

	As at June 30,	As at December 31,
	2019	2018
	$	$
Current	**6,078**	3,311
Non-current	**3,873**	2,263
	9,951	5,574

The following table provides the break-down of the share-based compensation expense by type of share unit:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Restricted Share Units	**2,188**	589	**3,762**	1,420
Deferred Share Units	**807**	(16)	**1,738**	470
Performance Share Units	**692**	40	**1,019**	141
	3,687	613	**6,519**	2,031

The following table breaks down the share-based compensation expense related to outstanding units and to the change in the fair value of share price:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Expense related to outstanding units	**767**	751	**1,984**	2,072
Expense (recovery) related to change in the fair value of the share price	**2,920**	(138)	**4,535**	(41)
	3,687	613	**6,519**	2,031

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

19. Finance Costs

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Interest on long-term debt	**1,417**	—	**3,287**	—
Interest on lease liabilities	**451**	—	**958**	—
Accretion expense	**414**	155	**827**	310
Amortization of deferred transaction costs	**377**	—	**877**	—
Other	**406**	132	**672**	290
	3,065	287	**6,621**	600

20. Non-Controlling Interests

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Government of Burkina Faso – 10% in SEMAFO Boungou S.A.	**3,027**	(60)	**5,886**	(45)
Government of Burkina Faso – 10% in SEMAFO Burkina Faso S.A.	**130**	(622)	**727**	(827)
	3,157	(682)	**6,613**	(872)

21. Earnings (loss) per Share

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
(in thousands, except shares and per share amounts)				
Net income (loss) for the period attributable to shareholders of the Corporation	**15,705**	(10,431)	**33,371**	(15,141)
Average weighted number of outstanding common shares – basic	**330,929**	325,607	**328,301**	325,336
Dilutive effect of options[1]	**249**	—	**223**	—
Weighted average number of outstanding common shares – diluted	**331,178**	325,607	**328,524**	325,336
Earnings (loss) per share	**0.05**	(0.03)	**0.10**	(0.05)
Diluted earnings (loss) per share[1]	**0.05**	(0.03)	**0.10**	(0.05)

[1] When there is a net loss attributable to shareholders of the Corporation, diluted loss per share is calculated from the basic weighted average number of outstanding common shares because the effect of options is anti-dilutive.

22. Financial Commitments and Contingencies

Purchase Obligations

As at June 30, 2019, purchase commitments totalled $4,557,000.

Government Royalties

In Burkina Faso, all shipments at gold spot prices lower or equal to $1,000 per ounce are subject to a royalty rate of 3%, a 4% rate is applied to all shipments at gold spot prices between $1,000 and $1,300 per ounce, and a 5% royalty rate is applied to all shipments at a gold spot price greater than $1,300 per ounce.

For the three-month period ended June 30, 2019, the Corporation was subject to royalty rates of 4% and 5% (Three-month period ended June 30, 2018: 4% and 5%), which were calculated using the retail market value of gold ounces sold at the time of shipment. For the three-month period ended June 30, 2019, royalties amounting to $6,165,000 (Three-month period ended June 30, 2018: $2,540,000) were paid to the Government of Burkina Faso

For the six-month period ended June 30, 2019, the Corporation was subject to royalty rates of 4% and 5% (Six-month period ended June 30, 2018: 4% and 5%), which were calculated using the retail market value of gold ounces sold at the time of shipment. For the six-month period ended June 30, 2019, royalties amounting to $12,475,000 (Six-month period ended June 30, 2018: $5,684,000) were paid to the Government of Burkina Faso.

Community Development Tax

The Corporation is subject to a community development tax of 1% of its revenues at the Boungou Mine. For the three-month and six-month periods ended June 30, 2019, the community development tax at the Boungou Mine amounted to $841,000 and $1,686,000 (Three-month period ended June 30, 2018: nil, six-month period ended June 30, 2018: nil).

Net Smelter Royalty ("NSR") and Net Profits Interest ("NPI")

The Corporation is subject to an NSR of 1% on various exploration properties. The NSR comes into effect when the Corporation enters into commercial production. The Corporation is also subject to an NPI from 0.5% to 1% on various exploration properties.

Contingencies

Water Extraction Tax

On October 15, 2015, the Corporation received a water extraction tax invoice of $3,892,000 (2,244,166,000 FCFA). The Corporation is exempt from this tax under its mining agreement for the Mana Mine pursuant to fiscal stability clauses. As a result, no provision was recorded in the condensed interim consolidated financial statements as at June 30, 2019. The Corporation is vigorously defending its position with the Water Agency.

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

23. Financial Information Included in the Interim Consolidated Statements of Cash Flows

a) Changes in Non-Cash Working Capital Items

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	2019	2018
	$	$	$	$
Trade and other receivables	**(7,802)**	3,630	**(16,336)**	(2,350)
Income tax receivable	**811**	(1,971)	**520**	(3,146)
Inventories	**(3,211)**	6,332	**(5,968)**	5,628
Other current assets	**(350)**	12	**(217)**	(683)
Trade payables and accrued liabilities	**5,943**	(3,057)	**3,558**	(4,955)
Share unit plan liabilities	**—**	—	**(2,142)**	(5,271)
Provisions	**363**	93	**603**	180
	(4,246)	5,039	**(19,982)**	(10,597)

b) Supplemental information on Non-Cash Items

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	2019	2018
	$	$	$	$
Depreciation of property, plant and equipment allocated to exploration and development costs	**2,071**	1,111	**4,846**	2,156
Depreciation of property, plant and equipment allocated to mineral properties under development	**811**	1,442	**1,505**	2,884
Net effect of depreciation of property, plant and equipment allocated to inventories	**(1,458)**	(426)	**(2,824)**	(1,228)
New asset retirement obligations allocated to property, plant and equipment	**198**	9,206	**296**	10,156
Variation in accounts payable related to property, plant and equipment	**(1,655)**	9,017	**(2,003)**	2,472
Variation in lease liabilities obligations related to property, plant and equipment	**2,941**	3,016	**12,651**	2,839
Amortization of capitalized financing fees	**131**	581	**211**	1,161

c) Supplemental information on acquisitions of property, plant and equipment

	Three-month period ended June 30,		Six-month period ended June 30,	
	2019	2018	2019	2018
	$	$	$	$
Acquisitions of exploration and evaluation assets	**(4,805)**	(5,220)	**(7,598)**	(6,913)
Acquisitions of other property, plant and equipment	**(39,432)**	(43,480)	**(79,818)**	(102,943)
	(44,237)	(48,700)	**(87,416)**	(109,856)

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

24. Segmented Information

The Corporation is conducting exploration and production activities in Burkina Faso. The business segments presented reflect the management structure of the Corporation and the way in which the Corporation's chief operating decision maker reviews business performance. The Corporation evaluates the performance of its operating segments primarily based on segment operating income, as defined below.

Three-month period ended June 30, 2019

	Boungou, Burkina Faso	Mana, Burkina Faso	Other exploration	Corporate and other	Total
	$	$	$	$	$
Revenue – Gold sales	84,144	50,841	—	—	134,985
Mining operating expenses	22,320	31,333	—	—	53,653
Depreciation of property, plant and equipment	24,643	16,146	—	149	40,938
General and administrative	278	584	—	3,087	3,949
Corporate social responsibility expenses	5	12	—	—	17
Share-based compensation	—	—	—	3,687	3,687
Operating income (loss)	**36,898**	**2,766**	**—**	**(6,923)**	**32,741**

Three-month period ended June 30, 2018

	Boungou, Burkina Faso	Mana, Burkina Faso	Other exploration	Corporate and other	Total
	$	$	$	$	$
Revenue – Gold sales	—	58,517	—	—	58,517
Mining operating expenses	—	38,679	—	—	38,679
Depreciation of property, plant and equipment	—	22,488	—	95	22,583
General and administrative	—	699	—	3,160	3,859
Corporate social responsibility expenses	129	212	—	—	341
Share-based compensation	—	—	—	613	613
Operating income (loss)	**(129)**	**(3,561)**	**—**	**(3,868)**	**(7,558)**

(Expressed in US dollars except where otherwise indicated – amounts in tables are presented in thousands of US dollars - unaudited)

24. Segmented Information (continued)

					Six-month period ended June 30, 2019
	Boungou, Burkina Faso	Mana, Burkina Faso	Other exploration	Corporate and other	Total
	$	$	$	$	$
Revenue – Gold sales	168,636	104,890	—	—	273,526
Mining operating expenses	44,114	60,944	—	—	105,058
Depreciation of property, plant and equipment	49,591	30,677	—	298	80,566
General and administrative	495	1,127	—	6,287	7,909
Corporate social responsibility expenses	87	287	—	—	374
Share-based compensation	—	—	—	6,519	6,519
Operating income (loss)	**74,349**	**11,855**	**—**	**(13,104)**	**73,100**
Property, plant and equipment	417,064	334,015	81,780	2,928	835,787
Total assets	511,130	460,896	82,817	63,352	1,118,195

					Six-month period ended June 30, 2018
	Boungou, Burkina Faso	Mana, Burkina Faso	Other exploration	Corporate and other	Total
	$	$	$	$	$
Revenue – Gold sales	—	121,215	—	—	121,215
Mining operating expenses	—	78,457	—	—	78,457
Depreciation of property, plant and equipment	—	47,820	—	191	48,011
General and administrative	—	1,334	—	6,442	7,776
Corporate social responsibility expenses	166	397	—	—	563
Share-based compensation	—	—	—	2,031	2,031
Operating loss	**(166)**	**(6,793)**	**—**	**(8,664)**	**(15,623)**
Property, plant and equipment	457,639	285,711	38,080	1,697	783,127
Total assets	470,446	435,495	39,041	72,627	1,017,609

The Corporation's revenue is derived from a refiner. The Corporation 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.

25. Event After the Reporting Period

In early August, access to ore projected under the 2019 Mana mine was impeded by a pit wall failure in the northern part of the Wona pit. We therefore expect to suspend the processing of ore at Mana between mid-August and end of October. During the shutdown, mining costs of $22,000,000 will be capitalized and there will be a non-recurring charge of approximately $7,000,000 mostly representing fixed costs during the shutdown.