PRESS RELEASE
SEMAFO

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SEMAFO Provides 2020 Outlook, Boungou Restart Plan

Fourth Quarter and Year-end 2019 Results

Montreal, Quebec, February 6, 2020 – SEMAFO Inc. (TSX, OMX: SMF) today provided 2020 outlook for its Boungou and Mana Mines in Burkina Faso. The Corporation also announced fourth quarter and annual 2019 results. All amounts are in US dollars unless otherwise stated.

Overview

- Boungou processing plant has restarted, with initial three-month production of between 42,000 and 46,000 ounces expected from stockpiles at an all-in sustaining cost[1] ("AISC") of between $530 and $560 per ounce
- Boungou long-term plan is in progress
- Production at Mana of between 185,000 and 205,000 ounces of gold at AISC of between $1,050 and $1,120 per ounce
- Initial exploration budget of $7 million

2020 Outlook

2020 Guidance	Mana	Boungou (Feb-April)	Boungou (May-Dec.)	Boungou Total	Consolidated
Gold production ('000 oz)	185–205	42-46	88-104	130-150	315-355
All-in sustaining cost ($/oz)	1,050-1,120	530-560	745-795	680-725	895-960
Capital Expenditure **(included in AISC)** (in millions of $)					
Sustaining	6	-	3	3	9
Siou underground	14	-			14
Stripping	50	-	7	7	57
	70		**10**	**10**	**80**
Non-recurring Development Expenditure **(not included in AISC)** (in millions of $)					
Air strip & security	2	1	2	3	5
	72	**1**	**12**	**13**	**85**

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

Boungou 2020 Plan

The Boungou plant has restarted, and processing of the stockpile has begun. We are taking a measured approach to Boungou in 2020 involving a phased plan. The initial three-month phase contemplates processing the stockpile and utilizing the on-site supplies inventory with limited deliveries of new supplies. During this period, we expect production to reach between 42,000 and 46,000 ounces at an AISC of between $530 and $560 per ounce.

As part of our phased plan, employees and contractors who were previously travelling on the public road are being transported by air between Fada and Boungou and lodged at the mine site. Currently, we are utilizing a 10-person helicopter. When construction of the airstrip has been completed, we anticipate transitioning to an airplane.

Our phased plan foresees a restart of mining in the fourth quarter while continuing to process stockpiles. The current stockpile holds 1.1 million tonnes at an average grade of 3.4 g/t Au, representing approximately ten months of mill feed. However, we need the government to improve security on the public road and in the surrounding region in order to increase the frequency of deliveries required to operate after the initial three months. We are in discussions with the authorities regarding the necessary security plan. We are also in discussions with mining contractors to replace African Mining Services at Boungou by the fourth quarter.

Although some aspects of the Boungou 2020 plan are within our control, others require support from the government and from our existing contractors and suppliers.

Mana

In the year, the Mana mill should process approximately 2.3 million tonnes at an average grade of 3.0 g/t Au, with an average gold recovery rate of 91%. Approximately 600,000 tonnes of ore will be extracted from Siou underground at an average grade of 5.5 g/t Au, and approximately 1.4 million tonnes from the Siou and Wona open pits at an average grade of 2.5 g/t Au. The remaining balance will be sourced from stockpiles and low-grade material. We continue to expect to reach full production at Siou underground in the first quarter of 2020.

The general and administrative expense for 2020 has been forecast at $17 million.

A number of assumptions were made in preparing the 2020 guidance, including

- Price of gold: $1,500 US dollars per ounce
- Price of fuel: $1.19 US dollars per litre
- Exchange rate: $0.77 US dollars to the Canadian dollar
- Exchange rate: $1.12 US dollars to the Euro

2020 Exploration

An initial exploration budget of $7 million has been set for 2020 on our three priority properties – Bantou, Boungou and Mana.

At Bantou, the $4 million exploration program will involve a 19,300-meter drill program that is a continuation of last year's program and designed to test prospective areas outside of the existing resources. We remain committed to our resource goal of 2.5 - 3.0 million ounces by the end of 2020.

The $1-million exploration program at Boungou for 2020 comprises 3,000 meters of reverse-circulation (RC) drilling and has the objective of identifying new near-mine resources. Expansion of the program is contingent on an improvement in regional security. Starting in the second quarter, the RC program will follow up last year's suspended work.

At Mana, a $2-million budget has been established to follow up on targets identified by the geologic review carried out by an external consulting firm last year. The bulk of the 3,800-meter RC drill campaign will be carried out on three different areas around Siou. We will also be conducting an underground drill program to test if the mineralization extends at depth below the existing underground mining plan.

Full Year and Fourth Quarter 2019 Highlights*

	Q4 2019*			2019*		
	Consolidated	Boungou	Mana	Consolidated	Boungou	Mana
Tonnes processed		120,200	454,700		999,700	2,061,200
Head grade (g/t Au)		6.72	3.17		6.65	2.28
Recovery (%)		**96**	**97**		**96**	**90**
Gold produced (oz)	69,900	24,900	45,000	340,900	205,200	135,700
AISC ($/ oz)	699	463	914	724	497	1,095

*2019 numbers are preliminary and are subject to final adjustment.

Boungou delivered a good first year of operations with a total of 205,000 ounces produced at an AISC of $497 per ounce over a ten-month period in 2019. Mana completed the year on a positive note, producing 45,000 ounces at an AISC of $914 per ounce in the last two months. Extraction of ore at Siou underground commenced in the fourth quarter of 2019 providing 100,000 tonnes of ore at 4.6 g/t Au. Mana completed the year with production of 135,700 ounces, in line with the revised guidance. Cash at year-end remained strong at $98 million. The 2019 year-end reserves and resources statement, including a maiden resource at the Bantou Project, will be released in early March.

About SEMAFO

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

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. All statements other than statements of present or historical facts are forward-looking. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and accordingly, actual results and future events could differ materially from those expressed or implied in such statements. You are hence cautioned not to place undue reliance on forward-looking statements. Forward-looking statements include words or expressions such as “outlook”, “initial”, “expected, “plan”, “in progress”, “guidance”, “contemplates”, “anticipate”, “foresees”, “improve”, “forecast”, “increase”, “assumptions”, “should”, “will”, “program”, “continue”, “designed to”, “goal”, “by the end of”, “objective”, “targets”, “preliminary”, “final adjustment”,, “committed”, “building”, “leveraging”, “development”, “pipeline” and other similar words or expressions. Factors that could cause future results or events to differ materially from current expectations expressed or implied by the forward-looking statements include the ability: (i) to produce between 42,000 and 46,000 ounces of gold at Boungou at an AISC of between $530 and $560 per ounce during the initial three-month phase, (ii) to produce between 88,000 and 104,000 ounces of gold at Boungou at an AISC of between $745 and $795 per ounce during the May to December period, (iii) to produce between 185,000 and 205,000 ounces of gold at Mana at an AISC of between $1,050 and $1,120 per ounce, (iv) to meet our initial exploration budget of $7 million, (v) to process the Boungou stockpile during the initial three-month phase, (vi) to utilize at Boungou during the initial three-month phase the on-site supplies inventory with limited deliveries of new supplies, (vii) to transition to an airplane for the transportation of employees at Boungou when the construction of the airstrip has been completed, (viii) to restart mining at Boungou in the fourth quarter, (ix) of the security to improve on the public road to Boungou and in the surrounding region to increase the frequency of deliveries required to operate after the initial three months, (x) to finalize discussions with the authorities regarding the necessary security plan, (xi) to replace African Mining Services at Boungou by the fourth quarter, (xii) to obtain support from the government and from our existing contractors and suppliers to execute the Boungou 2020 plan, (xiii) of the Mana mill to process approximately 2.3 million tonnes at an average grade of 3.0 g/t Au, with an average gold recovery rate of 91%, (xiv) to extract approximately 600,000 tonnes of ore from Siou underground at an average grade of 5.5 g/t Au and 1.4 million tonnes from the Siou and Wona open pits an average grade of 2.5 g/t Au, (xv) to reach full production at Siou underground in the first quarter of 2020, (xvi) to keep our general and administrative expenses at $17 million, (xvii) to meet our Bantou resource goal of 2.5 – 3.0 million ounces by the end of 2020, (xviii) of the 2020 exploration program at Boungou to identify new near-mine resources, (xix) to release the 2019 year-end reserves and resources statement, including a maiden resource at the Bantou Project, in early March, (xx) to execute on our strategic focus, the accuracy of our assumptions, fluctuation in the price of currencies, gold or operating costs, mining industry risks, uncertainty as to calculation of mineral reserves and resources, delays, political and social stability in Africa (including our ability to maintain or renew licenses and permits), the security of our operations and other risks described in SEMAFO’s documents filed with Canadian securities regulatory authorities. You can find further information with respect to these and other risks in SEMAFO’s 2018 Annual MD&A, as updated in SEMAFO’s 2019 First Quarter MD&A, 2019 Second Quarter MD&A and 2019 Third Quarter MD&A and other filings made with Canadian securities regulatory authorities and available at www.sedar.com. These documents are also available on our website at www.semafo.com. SEMAFO disclaims any obligation to update or revise these forward-looking statements, except as required by applicable law.

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