



JOINT PRESS RELEASE

FOR IMMEDIATE RELEASE

**SEMAFO and Savary Announce Non-Binding Letter of Intent for
Acquisition of Savary by SEMAFO**

Creation of 1,250 km² District-Scale Land Package on Houndé Greenstone Belt

Montreal, Quebec and Toronto, Ontario, February 11, 2019 – SEMAFO Inc. (TSX, OMX: SMF) (“SEMAFO”) and Savary Gold Corp. (TSX-V: SCA) (“Savary”) are pleased to announce that they have entered into a non-binding letter of intent (the “**LOI**”) contemplating the acquisition by SEMAFO of all of the outstanding common shares of Savary (the “**Savary Shares**”) not already owned by SEMAFO (the “**Proposed Transaction**”).

Under the terms of the LOI, all of the issued and outstanding Savary Shares will be exchanged on the basis of 0.0336 SEMAFO common shares (each whole share, a “**SEMAFO Share**”) for each Savary Share (the “**Exchange Ratio**”). The Exchange Ratio implies consideration of C\$0.10 per Savary Share, based on the closing price of the SEMAFO Shares on the Toronto Stock Exchange (“**TSX**”) on February 8, 2019. This represents a premium of 100% based on the closing price of Savary Shares on the TSX Venture Exchange on February 8, 2019. The Proposed Transaction value (excluding SEMAFO’s existing 15.5% equity interest) is approximately C\$22.7 million on a fully diluted in-the-money basis, representing 2.2% dilution to SEMAFO shareholders. The LOI provides for exclusivity until March 11, 2019 to enter into definitive agreements. The execution of any definitive agreements(s) is conditional on, among other things, all of Savary’s management, the members of its board of directors and certain key shareholders holding in the aggregate 29.3% of Savary Shares entering into support agreements concurrently with the definitive transaction agreements on the above terms.

Concurrently with this announcement, SEMAFO has separately announced a maiden inferred mineral resource estimate of 2,100,666 tonnes at 5.35 g/t Au for 361,288 ounces at its Bantou Zone, which is contiguous to Savary’s Karankasso project. Both projects are located approximately 170 kilometers south of Mana.

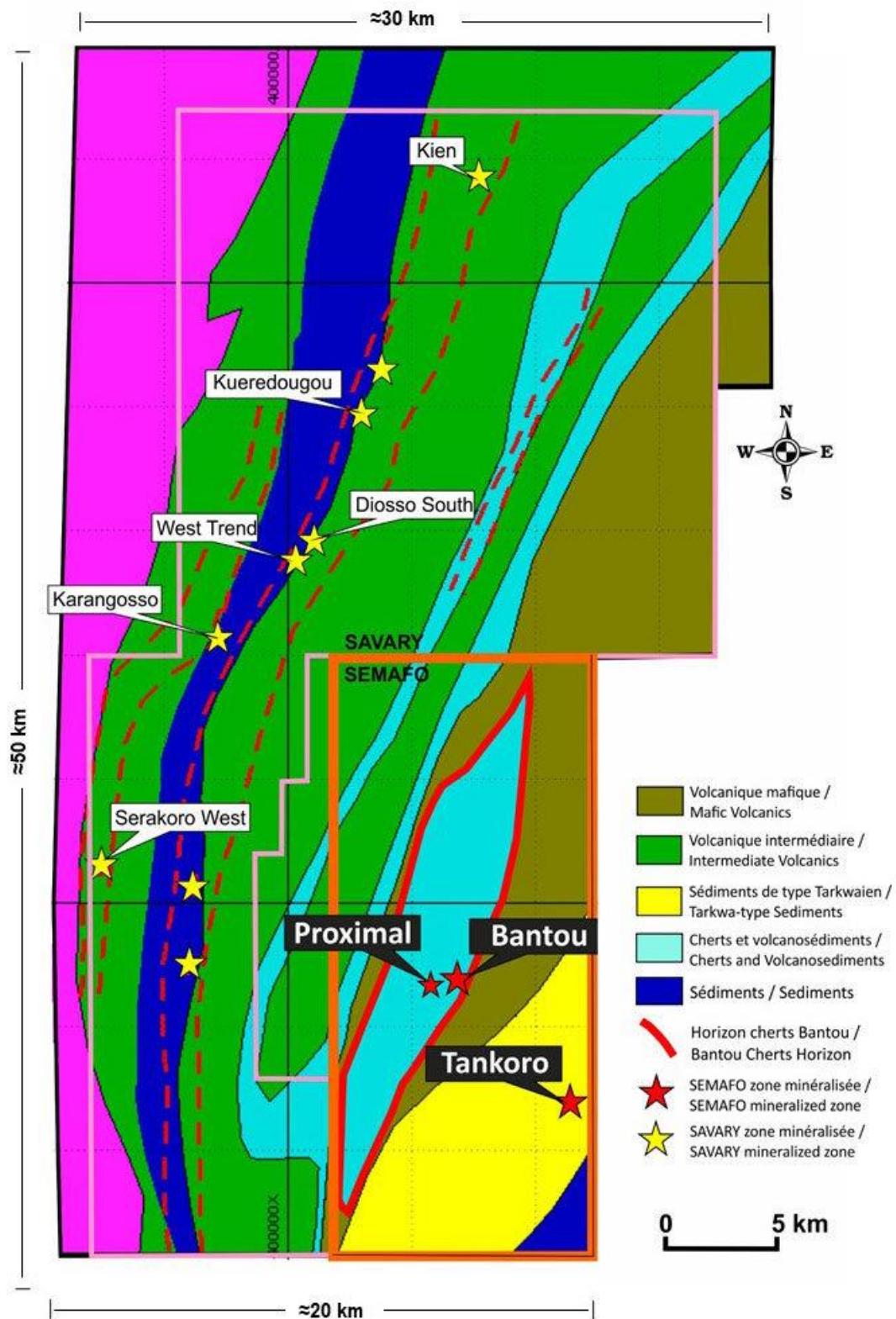
Transaction Highlights

- **District-Scale Land Package** - Consolidated properties (see Figure 1 below) become ~25 km by ~50 km, which creates a district-scale, target-rich, land package
- **Entire 1,250 km² Truckable to Central Plant** - Ore from the entire consolidated land package could be trucked to a central plant, given a current tentative plant location in the north west of SEMAFO property. Economic trucking distance is ~25km depending on grade and recovery.
- **Significant Consolidated Resource Base** - Combination of existing mineral resources (Savary's Karankasso hosts inferred resources of 12.3 Mt at 2.03 g/t Au for 805,000 oz; SEMAFO's Bantou has inferred mineral resources of 2.1 Mt grading 5.35 g/t Au for 361,000 oz) into a consolidated resource estimation post-closing will provide a significant base on which to expand.
- **Excellent Location on Prolific Houndé Greenstone Belt** – The district-scale land package is located on the prospective Houndé Greenstone Belt that hosts Mana and many other operating mines.
- **Accelerated Resource Growth** – The 2019 consolidated exploration program will focus on accelerated resource growth and will be announced post-closing.

Benoit Desormeaux, President and CEO of SEMAFO, stated "Our contemplated acquisition of the Karankasso property reflects our core strategy of creating long-term value through developing and operating high quality assets. The transaction would provide a consolidated district-scale land package in a country we know well and on the prolific Houndé Greenstone Belt, which we also know very well. We see excellent potential for resource growth on the combined 1,250 km², and if this transaction is consummated we anticipate the combined property will head up our development pipeline."

Don Dudek, President and CEO of Savary, said, "Over the past few years, Savary has delivered on its commitment to create value for its shareholders through its disciplined approach to exploration and resource development. The proposed transaction with SEMAFO is consistent with that commitment as our shareholders would benefit from having ownership in an intermediate, multi-mine producer with a portfolio of high-quality assets and a proven and experienced management team that shares our commitment to creating long-term sustainable value. If this transaction is completed, our shareholders would maintain exposure to the potential of the combined district-scale land package as it becomes one of SEMAFO's top development pipeline projects."

Figure 1. Consolidated Property Package



Benefits to SEMAFO Shareholders

- Acquisition of a district-scale 1,250 km² land package with proven exploration and development potential
- Excellent location on the prospective Houndé Greenstone Belt
- Good alignment with SEMAFO's core competencies of increasing resources, developing reserves, completing economic studies, and constructing/operating a third gold mine
- Further strengthening of SEMAFO's exploration and development pipeline
- Lower exploration and development risk as Burkina Faso is a country where SEMAFO is well-established and understands how to operate
- Minimal 2.2% dilution

Benefits to Savary Shareholders

- Significant premium (100% based on the closing price of Savary common shares on the TSX Venture Exchange on February 8, 2019.)
- Diversified ownership in SEMAFO's high-quality portfolio of assets
- Continued exposure to combined properties' district-scale exploration upside potential
- SEMAFO has the in-house capabilities and balance sheet to significantly advance the 1,250 km² district-scale potential
- Significant improvement in trading liquidity and capital markets exposure

LOI Conditions & Steps to Definitive Agreement

The Proposed Transaction is subject to a range of conditions, including, but not limited to, SEMAFO and Savary entering into one or more binding definitive agreements containing customary terms and conditions, including representations and warranties customary in a transaction of this nature. In the event that definitive agreement(s) are entered into between the parties, and subject to the final

transaction structure, the closing of the Proposed Transaction will be subject to additional conditions precedent including, but not limited to, the receipt of all required approvals, approval of the Proposed Transaction by the requisite majority of shareholders of Savary at a special meeting of Savary shareholders and agreement on customary non-solicitation covenants, board support and fiduciary-out provisions for transactions of this nature.

SEMAFO and Savary are committed to consummating the Proposed Transaction and will issue further information about the Proposed Transaction in the near future. However, there is no obligation on the part of either SEMAFO or Savary to consummate a transaction relating to the Proposed Transaction or to enter into a definitive agreement; provided, however, that a break fee of \$400,000 is payable by SEMAFO to Savary in the event that SEMAFO elects not to proceed with the Proposed Transaction. There can be no assurances that any transaction relating to the Proposed Transaction or otherwise will result, or as to the final definitive terms thereof.

SEMAFO currently owns 39,533,333 Savary Shares, representing approximately 15.5% of the issued and outstanding Savary Shares on a non-diluted basis. SEMAFO also holds warrants to acquire up to 3,100,000 additional Savary Shares at an exercise price of \$0.05 (subject to adjustment in certain events) expiring on December 31, 2021. Assuming exercise in full of the warrants, SEMAFO would own 42,633,333 Savary Shares, representing 16.48% of the issued and outstanding Savary Shares on a partially diluted basis.

If SEMAFO decides not to pursue further the Proposed Transaction, or if such transaction is not consummated for any reason, SEMAFO intends to continue to review Savary's business affairs, capital needs and general industry and economic conditions, and, based on such review, SEMAFO may, from time to time, depending on market and other conditions, increase or decrease its ownership, control or direction over the shares or other securities of Savary, through market transactions, private agreements, public offerings or otherwise, or approve a corporate transaction with regard to Savary. A copy of SEMAFO's related amended early warning report will be filed with the applicable securities commissions and will be made available on SEDAR at www.sedar.com, a copy of which may be obtained by contacting Eric Paul-Hus, V-P, Law, Chief Compliance Officer and Corporate Secretary, at 514-744-4408.

Advisors and Counsel

Norton Rose Fulbright Canada LLP is acting as SEMAFO's legal advisor.

Red Cloud Klondike Strike Inc. is acting as financial advisor to the Board of Directors of Savary. Dentons LLP is acting as Savary's legal advisor.

Conference Call

SEMAFO and Savary will host a joint conference call on Monday, February 11, 2019 at 10:00 a.m. EST for members of the investment community to discuss the Proposed Transaction. Participants may join the conference call using the following call-in details:

Tel. local & overseas: +1 (647) 788 4922
Tel. North America: 1 (877) 223 4471

<https://www.semafo.com/English/investor-relations/news-and-events/events/default.aspx>

A replay of this conference call will be available until March 11, 2019. The replay numbers are:

Replay overseas: +1 (416) 621 4642
Replay N. America: 1 (800) 585 8367
Replay pass code: 4367906

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 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.

ABOUT SAVARY

Savary is a Canadian exploration company focused on exploring and developing the Karankasso Gold Project in Burkina Faso. The Company holds an approximate 75.2% deemed joint venture ownership at year end 2018 and is the operator of the joint venture. The project is located within the Houndé Greenstone Belt, which hosts SEMAFO's Mana mine, Roxgold's Yaramoko Mine and Endeavor's Houndé Mine. The project contains an inferred mineral resource estimate (November 2, 2017) of 12.3 million tonnes (Mt) grading 2.03 g/t gold for 805,000 ounces. For additional information please visit www.savarygold.com.

Technical Disclosure

This press release contains certain scientific and technical information of Savary and SEMAFO. Each party is solely responsible for the contents and accuracy of any scientific and technical information disclosure relating to it.

Don Dudek, P.Geo., President and CEO of Savary and a Qualified Person under National Instrument 43-101, has reviewed and approved the Savary scientific and technical information contained in this press release.

Richard Roy P. Geo, Vice-President Exploration of SEMAFO and a Qualified Person under National Instrument 43-101, has reviewed and approved the SEMAFO scientific and technical information contained in this press release.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and accordingly, actual results and future events could differ materially from those expressed or implied in such statements. You are hence cautioned not to place undue reliance on forward-looking statements. All statements other than statements of present or historical fact are forward-looking statements, including statements with respect to the Letter of Intent and the likelihood that the definitive agreement(s) will be entered into and that Proposed Transaction will be consummated on the terms and timeline provided herein or at all, the benefits of the Proposed Transaction to SEMAFO and Savary and the receipt of all required approvals including without limitation the shareholders of Savary and applicable regulatory authorities and applicable stock exchanges. Forward-looking statements include words or expressions such as "proposed", "will", "subject to", "near future", "in the event", "would", "expect", "prepared to" 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 general business, economic, competitive, political and social uncertainties; the state of capital markets; risks relating to (i) the preliminary and non-binding nature of the LOI, (ii) the ability of the parties to satisfy the conditions precedent to the execution of any definitive agreement(s) or to ultimately agree on definitive terms, (iii) the impact on the respective businesses, operations and financial condition of Savary and SEMAFO resulting from the announcement of the Proposed Transaction and/or the failure to enter into definitive agreement(s) or to complete the Proposed Transaction on terms described or at all, (iv) a third party competing bid materializing prior to the effective date of any definitive agreement(s) or the completion of the Proposed Transaction, (v) delay or failure to receive board, shareholder regulatory or court approvals, where applicable, or any other conditions precedent to the completion of the Proposed Transaction, (vi) unforeseen challenges in integrating the businesses of Savary and SEMAFO, (vii) failure to realize the anticipated benefits of the Proposed Transaction, (viii) other unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant; and other risks described in SEMAFO's and Savary's documents filed with Canadian securities regulatory authorities. You can find further information with respect to these and other risks in filings made with the Canadian securities regulatory authorities and available at www.sedar.com. SEMAFO's and Savary's

documents are also available on their respective websites at www.semafo.com and www.savarygold.com. We disclaim any obligation to update or revise these forward-looking statements, except as required by applicable law.

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