

Endeavour gets bump from \$25M Burkina Faso mine sale

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Image of the Youga plant, courtesy of Endeavour Mining.

Endeavour Mining (TSX:EDV) had a good day on the markets after the company announced a \$25 million cash injection from the sale of its mine in Burkina Faso.

In a **press release** (<http://hugin.info/171882/R/1990238/731179.pdf>), Endeavour said it sold its Youga mine to privately-held MNG Gold for US\$25.3 million, which includes \$20 million for the mine and 5.3 million in cash. The company also retains a 1.8 percent net smelter royalty on mine production.

The sale to MNG Gold makes sense considering the proximity of Youga to MNG's Balogo deposit, an advanced exploration play that MNG acquired from Golden Rim Resources (<http://www.burkina-emine.com/wp-content/uploads/2015/02/Golden-Rim-Sells-Balogo-for-US10M-A12.8M-in-Cash.pdf>) (ASX:GMR) just over a year ago. Golden Rim said at the time it needed to make the \$10-million sale because it was unable to raise funds for a feasibility study and wanted the cash to continue exploring its Korongou project, also in Burkina Faso.

Youga, an operating gold mine, has around two years of minelife left, after starting production in 2008. The mine up to the end of 2014 had produced just over half a million ounces, according to Endeavour. Last year the mine produced 64,407 ounces and in 2016 it is expecting output of 40,000 to 45,000 ounces.

At the close of trading in Toronto on Monday, stock in EDV had climbed 4.13 percent to close at \$12.10 a share. The bump puts an exclamation point on a successful three months for the intermediate gold producer, during which time the stock price has doubled. Endeavour's market cap now stands at \$722 million with 59 million shares outstanding. Including Youga, Endeavour has five operating gold mines producing around 580,000 ounces a year in Cote d'Ivoire, Mali, Ghana and Burkina Faso.

In addition to the Balogo project and now the Youga mine, West Africa and Turkey- focused MNG Gold also owns the Kokoya gold project in Liberia, for which it was awarded a mining license in January 2015.