ANNUAL INFORMATION FORM

for the financial year ended December 31, 2014

March 27, 2015

ENDEAVOUR MINING CORPORATION

Suite 3123, 595 Burrard Street
Three Bentall Centre
Vancouver, BC V7X 1J1
CANADA

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PRELIMINARY NOTES AND CAUTIONARY STATEMENT

Date of Information

In this Annual Information Form (the "**AIF**") information is given as at December 31, 2014, unless stated otherwise.

Except as otherwise required by the context, reference to "**Endeavour**" or the "**Corporation**" in this AIF means, collectively, Endeavour Mining Corporation and its subsidiaries.

Currency and Exchange Rates

All currency references in this AIF are in United States dollars, unless otherwise indicated. Reference to "Canadian dollars" or the use of the symbol "C$" refers to Canadian dollars. The noon rate of exchange reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars on March 25, 2015 was $1.00 = C$1.2513 (C$1.00 = $0.7992).

Conversion Table and Technical Abbreviations

Amounts in this AIF are generally in metric units. Conversion rates from Imperial measure to metric and from metric to Imperial are provided below.

Imperial Measure	**= Metric Unit**	**Metric Measure**	**= Imperial Unit**
2.47 acres	1 hectare	0.4047 hectares	1 acre
3.28 feet	1 metre	0.3048 metres	1 foot
0.62 miles	1 kilometre	1.609 kilometres	1 mile
35.315 cubic feet	1 cubic metre	0.0283 cubic metres	1 cubic foot
0.032 ounces (troy)	1 gram	31.103 grams	1 ounce (troy)
1.102 tons (short)	1 tonne	0.907 tonnes	1 ton
0.029 ounces	1 gram/tonne	34.28 grams/tonne	1 ounce

All ounces are troy ounces. 14.58 troy ounces equal one pound (containing 16 imperial ounces).

Unless otherwise defined, abbreviations used in this AIF have the following meanings:

Au	Gold	Cedi	Ghanaian currency
CFA	French West African currency (CFA franc)	oz	troy ounce
g	Gram	RAB	rotary air blast
ha	Hectare	RC	reverse circulation
kg	Kilogram	ROM	run of mine
km	Kilometre	t	metric tonne
m	Metre	mtpa	million metric tonnes per annum
MW	Megawatt	tpd	metric tonne per day
MWh	Megawatt-hour	M	million

Caution on Forward-Looking Statements

This AIF contains "forward-looking statements". Forward-looking statements include, but are not limited to, statements with respect to Endeavour's plans or future financial or operating performance, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, commodity prices, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, economic, political and regulatory conditions, realization of unused tax benefits and the future outcome of legal and tax matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "will continue" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "have potential" or "will be taken", "occur" or "be achieved". The material factors or assumptions used to develop material forward-looking statements are disclosed throughout this document and other publicly-available filings of Endeavour.

Forward-looking statements, while based on management's best estimates and assumptions, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Endeavour to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the successful integration of acquisitions; risks related to international operations; risks related to joint venture operations; risks related to general economic conditions and credit availability; actual results of current exploration activities; unanticipated reclamation expenses; changes in project parameters as plans continue to be refined; fluctuations in prices of metals including gold; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which Endeavour operates; actual resolutions of legal and tax matters, as well as those factors discussed in the section entitled "Risk Factors" in this AIF. Although Endeavour has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Endeavour's management periodically reviews information reflected in forward-looking statements.

CORPORATE STRUCTURE

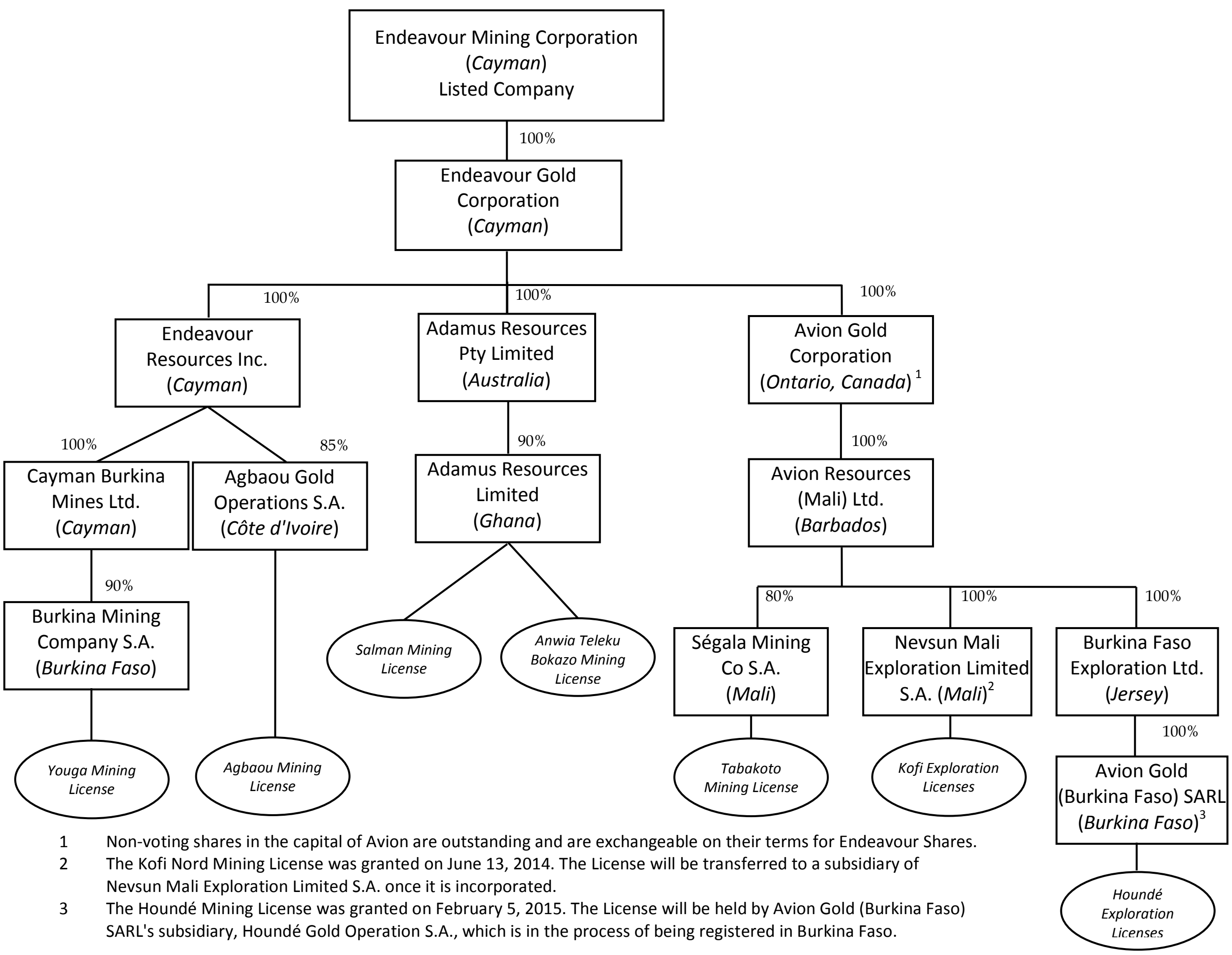
Name, Address and Incorporation of the Corporation

Endeavour Mining Corporation was incorporated on July 25, 2002 under the laws of the Cayman Islands. The Corporation's corporate head office is located at Suite 3123, 595 Burrard Street, Three Bentall Centre, Vancouver, BC, V7X 1J1 and its registered office is located at the offices of Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands.

Endeavour's ordinary shares ("**Endeavour Shares**") are listed on the Toronto Stock Exchange ("**TSX**") under the symbol "EDV" and quoted in the United States on OTCQX International under the symbol "EDVMF". Endeavour Shares also trade via CHESS Depositary Interests ("**CDIs**") quoted on the Australian Securities Exchange ("**ASX**") under the symbol "EVR". Each CDI represents a beneficial ownership interest in one Endeavour Share.

Intercorporate Relationships

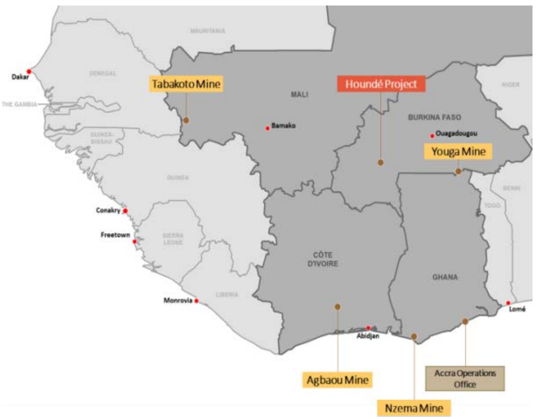
As at December 31, 2014, the intercorporate relationships between the Corporation and its material subsidiaries, the Corporation's percentage ownership of the voting securities of each material subsidiary and their respective jurisdictions of incorporation were as follows:



1 Non-voting shares in the capital of Avion are outstanding and are exchangeable on their terms for Endeavour Shares.
2 The Kofi Nord Mining License was granted on June 13, 2014. The License will be transferred to a subsidiary of Nevsun Mali Exploration Limited S.A. once it is incorporated.
3 The Houndé Mining License was granted on February 5, 2015. The License will be held by Avion Gold (Burkina Faso) SARL's subsidiary, Houndé Gold Operation S.A., which is in the process of being registered in Burkina Faso.

GENERAL DEVELOPMENT OF THE BUSINESS OF THE CORPORATION

Background



Endeavour is an intermediate gold mining company with four mines currently producing at a combined rate of approximately 500,000oz per year in West Africa. As of December 31, 2014, Endeavour's producing gold mining properties were comprised of the Agbaou mine in Côte d'Ivoire ("**Agbaou**"), which was completed during the fourth quarter of 2013 and achieved commercial production on January 27, 2014, the Nzema mine in Ghana ("**Nzema**"), the Tabakoto mine in Mali ("**Tabakoto**"), and the Youga mine in Burkina Faso ("**Youga**"). The Corporation has the potential to add an additional 190,000oz per year by advancing the Houndé project in Burkina Faso ("**Houndé**"), which obtained a mining permit on February 5, 2015. Endeavour also has an extensive exploration portfolio in highly prospective regions of Burkina Faso, Côte d'Ivoire, Mali and Ghana with a land package totalling over 6,529km^2.

In 2009, Endeavour launched a gold acquisition strategy, targeting complementary producing or near-term producing gold assets and/or companies. The objective of creating an intermediate-sized gold company has been achieved and the continued growth of Endeavour's gold operations has occurred through the completion of construction of the Agbaou mine in late 2013 and the historical acquisitions described below.

Corporate History

Agbaou Mine Completion

Construction of Agbaou in Côte d'Ivoire was completed, ahead of schedule and under budget, during the fourth quarter of 2013. The first gold pour was on November 29, 2013 and commercial production was declared on January 27, 2014. Endeavour holds an 85% interest in Agbaou while the State of Côte d'Ivoire and Société pour le Dévelopment Minier de la Côte d'Ivoire ("**SODEMI**") (the State owned mining company) hold a 10% and a 5% free carried interest (an ownership interest which has no capital contribution requirements), respectively. Agbaou produced 146,757oz of gold in the first year. In October 2014, a three month exploration drilling program was completed at Agbaou aimed at extending mine life through testing of exploration targets and potential extensions to the principal mineralized zones in the north and west pit areas. The initial results of this exploration program were positive and resulted in a net increase in mineral reserves after depletion for mining in 2014. The drill-hole results demonstrate continuity of grades and widths of strike extensions of the known deposits. Agbaou is targeted to produce 150,000 to 155,000oz of gold in 2015.

Further information about Agbaou is provided under "Mineral Properties of the Corporation" below.

Avion Acquisition

As a result of the Corporation's acquisition of all of the shares of Avion Gold Corporation ("**Avion**") on October 18, 2012, Endeavour acquired Tabakoto, the advanced stage Kofi gold project and Houndé, which was undergoing a Preliminary Economic Assessment. Tabakoto produced 127,323oz of gold in 2014 (being the first full year benefiting from the Tabakoto mill expansion completed in the second quarter of 2013) and is targeted to produce 155,000 to 165,000oz of gold in 2015. Underground ore production commenced at Ségala during the second quarter of 2014. The third party mining contractor was terminated effective March 31, 2014 and Endeavour began self-performing the underground mining from April 1, 2014. The Corporation received a mining permit for the nearby Kofi Nord permit ("**Kofi Nord**") on June 13, 2014. As of January 2015, ore is being trucked from the Kofi C deposit (part of Kofi Nord) to Tabakoto. On December 19, 2014 Endeavour purchased from La Société Financière et d'Exploration de l'Or au Mali SARL ("**SOFOM**") its 6.25% interest in a joint venture with Endeavour in respect of Kofi Nord. As a result Endeavour currently holds a 100% interest in Kofi Nord subject to the State of Mali's right to a 10% free carried interest, and a possible additional 10% negotiated interest.

Further information about each of Tabakoto, Kofi Nord and Houndé is provided under "Mineral Properties of the Corporation" below.

Adamus Acquisition

On December 5, 2011, Endeavour announced completion of the acquisition of all of the shares of Adamus Resources Pty Limited which holds 90% of Adamus Resources Limited ("**Adamus**"). Through Adamus, Endeavour acquired Nzema. The government of Ghana owns the remaining 10% of Adamus. Nzema, which was commissioned with a one million ounce Proven and Probable mineral reserve, commenced commercial production on April 1, 2011 and produced 115,129oz of gold in 2014 (including 39,453oz from purchased ore) and is targeted to produce 110,000oz to 115,000oz of gold in 2015. During 2014 the main plant feed came from Adamus, supplemented by ore from Aliva and third party sources. The third party-ore is blended with the ore from Adamus and Aliva to achieve the production targets for throughput and recoveries.

Further information about Nzema is provided under "Mineral Properties of the Corporation" below.

Endeavour obtained its ASX listing to enable former Adamus shareholders to trade the Endeavour Shares they received in connection with the Adamus acquisition as CDIs on the ASX under the symbol EVR. Endeavour continues to have its primary listing on the TSX.

Financings

Revolving Credit Facility

On March 9, 2015, Endeavour renewed its $350 million senior secured revolving corporate loan facility (the "**Facility**") with UniCredit Bank AG, BNP Paribas, ING Bank, Société Générale and Investec Bank Plc. Endeavour used drawn proceeds of $300 million to fund construction of the Agbaou mine during 2013 as well as other investments in its mines to lower long-term operating costs. The undrawn portion of $50 million remains available for general corporate purposes.

The Facility is secured by shares of Endeavour's material subsidiaries and certain assets of those subsidiaries. The maturity date of the Facility is March 2020 and the available Facility amount declines with four equal semi-annual reductions commencing September 2018. The Facility incorporates standard corporate and financial covenants and interest on drawn amounts is based on LIBOR plus a variable margin of between 3.75% and 5.75% per annum based on a sliding scale related to the actual net debt to EBITDA ratio.

Divestiture of Non-Core Assets

Finkolo Joint Venture

On September 26, 2013, Endeavour completed part of the sale and transfer of the its 40% interest in the licenses and associated property comprising the Finkolo gold project joint venture in Mali to Resolute Mining Limited for net proceeds of approximately $16 million in cash (after payment of applicable capital gains taxes). A further payment of $3 million will be received upon the completion of a number of conditions.

Agreement with Fiore Financial Corporation

Endeavour has an investment participation and advisory agreement in place with Fiore Financial Corporation ("**Fiore**"). Fiore is a boutique investment banking firm focused on creating, financing and launching investment opportunities in the resource sector. Fiore is led by Frank Giustra, its President and Chief Executive Officer. Mr. Giustra has been a director of Endeavour since September 17, 2013. Fiore brings invaluable global investment experience and relationships to Endeavour.

Other Aspects of the Business

Gold Market

The gold market is relatively deep and liquid, with the price of gold generally quoted in US dollars. The demand for gold is primarily for jewellery fabrication purposes and bullion investment. Gold is traded on a world-wide basis.

The use of gold as a store of value (the tendency of gold to retain its value in relative terms against basic goods and in times of inflation and monetary crisis) and the large quantities of gold held for this purpose in relation to annual mine production, has meant that historically the potential total supply of gold has been far greater than demand. Thus, while current supply and demand plays some part in determining the price of gold, this does not occur to the same extent as for other commodities. Gold prices are significantly affected by macro-economic factors such as expectations of inflation, interest rates, exchange rates, changes in reserve policy by central banks and global or regional political and economic crises. Due to these factors, the gold price fluctuates continually and such fluctuations are beyond the Corporation's control.

The Corporation's revenue is generated exclusively from the sale of gold.

Specialized Skills and Knowledge

All aspects of Endeavour's business require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, the areas of strategic development and planning, geology, drilling, mine planning, engineering, construction, regulatory compliance, legal and finance and accounting. Endeavour relies on skilled and experienced personnel to fulfill these requirements. As at December 31, 2014, the Corporation employed approximately 2,500 employees and 1,600 contractors and consultants.

Competitive Conditions

The mining industry is competitive, particularly in the acquisition of mineral reserves and mineral resources. The continued growth of Endeavour relies on the organic growth and development of gold projects, as well as strategic acquisitions. Although Endeavour has acquired and developed such assets in the past, there can be no assurance that its acquisition or development efforts will succeed in the future. Endeavour believes that the experience of its executives in financing and implementing growth plans and in developing and building mines provide it with a significant competitive advantage over other mining companies.

Changes to Contracts

Effective March 31, 2014, the underground mining contractor at Tabakoto and Ségala was terminated and instead Endeavour has been performing the underground mining with equivalent in-house equipment, labour and supervision. This has generated cost savings for those operations.

Environmental Protection

Endeavour's mining, exploration and development activities are subject to various local laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties.

In all jurisdictions where Endeavour operates, specific statutory and regulatory requirements and standards must be met throughout the exploration, development and operations stages of a mining property with regard to, among other things, air quality, water quality, solid and hazardous waste management and disposal, land use and reclamation.

The financial and operational effects of environmental protection requirements on the capital expenditures and earnings for each of the Corporation's mines is not significantly different than that of similar sized mines, and therefore are not expected to significantly impact Endeavour's competitive position in the future.

Community Relations

Endeavour sees itself as an integral part of the communities in which it operates, as well as a responsible development partner. Endeavour works in collaboration with and engages government, local communities and outside organizations to ensure it supports economic sustainability and social development, with projects including skills training and educational scholarship, healthcare, water and sanitation, public infrastructure maintenance, institutional capacity building and livelihood programs.

In September 2014, Endeavour and the Monaco Red Cross entered into project agreements to implement water, sanitation and community-based health programs in communities surrounding the Corporation's mine sites in Burkina Faso and Côte d'Ivoire. These projects are now underway. Further details of the Corporation's activities and commitments in the local communities in which it operates are described under the heading "Corporate Social Responsibility" in its Management Discussion and Analysis for the year ended December 31, 2014, which is available under the Corporation's profile on www.sedar.com.

MINERAL PROPERTIES OF THE CORPORATION

Mineral Reserves and Resources

As at December 31, 2014, Endeavour had combined attributable Proven and Probable mineral reserves of approximately 4.0 million ounces of gold and attributable Measured and Indicated mineral resources (inclusive of reserves) of approximately 6.9 million ounces of gold, as set out in detail in the below tables.

Table 1: Mineral Resources (including Reserves) as of December 31, 2014

Mine/Project	Resources (including Reserves)												
	Measured			Indicated			Measured & Indicated			Inferred			
	Mt	Au g/t	oz (000's)	Mt	Au g/t	oz (000's)	Mt	Au g/t	oz (000's)	Mt	Au g/t	oz (000's)	Lower Cut-Off Grade g/t
Nzema[1]-Total	23.7	1.4	1,040	13.0	1.3	550	36.7	1.3	1,590	7.6	1.3	311	0.5
Attributable - 90%			936			495			1,431			280	
Youga[2]-Total	7.3	1.3	317	9.7	1.6	494	17.0	1.5	812	2.8	1.6	141	0.5
Attributable - 90%			285			444			730			127	
Agbaou[3]-Total	2.9	2.8	255	11.1	2.4	854	13.9	2.5	1,109	2.1	2.3	154	0.5
Attributable - 85%			216			726			942			131	
Tabakoto[4] – Total	5.6	2.9	529	13.4	3.0	1,310	19.0	3.0	1,839	17.6	2.8	1,582	0.5 to 1.5
Attributable – 80 to 90%			433			1,110			1,543			1,315	
Houndé[5] – Total	3.7	2.6	305	34.1	2.1	2,242	37.8	2.1	2,546	3.2	2.6	273	0.5
Attributable - 90%			274			2,017			2,291			246	
Total			**2,446**			**5,449**			**7,896**			**2,462**	
Total Attributable			**2,146**			**4,792**			**6,938**			**2,099**	

Table 2: Mineral Reserves as of December 31, 2014

Mine/Project	Reserves									Gold Price
	Proven			Probable			Proven & Probable			
	Mt	Au g/t	oz (000's)	Mt	Au g/t	oz (000's)	Mt	Au g/t	oz (000's)	$/oz
Nzema[1] - Total	5.2	2.0	339	2.1	2.3	156	7.3	2.1	496	1,350
Attributable - 90%			305			141			446	
Youga[2] - Total	2.5	1.7	139	1.0	2.0	63	3.5	1.8	202	1,250
Attributable - 90%			125			57			181	
Agbaou[3]- Total	2.7	2.7	236	8.8	2.4	690	11.5	2.5	926	1,350
Attributable - 85%			200			587			787	
Tabakoto[4] - Total	2.3	3.3	249	4.4	4.0	558	6.7	3.7	807	1,350
Attributable - 80 to 90%			202			470			672	
Houndé[5]- Total	3.7	2.5	295	26.9	2.1	1,780	30.6	2.1	2,073	1,300
Attributable - 90%			266			1,602			1,866	
Total			**1,258**			**3,247**			**4,503**	
Total Attributable			**1,098**			**2,856**			**3,952**	

[1] Nzema mineral resource update prepared by W.J.A. Yeo MAIG (Endeavour) as depletion, effective date December 31, 2014, of mineral resource prepared by N.J. Johnson MAIG (MPR Geological Consultants Pty Ltd.), Qualified Person for the mineral resources; M. Alyoshin MAusIMM CP Min (Endeavour) is Qualified Person for Nzema mineral reserves. Most recent filed report is "Technical Report and Mineral Resource and Reserve Update for the Nzema Gold Mine, Ghana, West Africa",

effective date December 31, 2012, prepared by N.J. Johnson MAIG (MPR Geological Consultants Pty Ltd.); Q. De Klerk FAusIMM (Cube Consulting Pty Ltd.); W.J.A. Yeo MAIG (Endeavour); and A.A. Roux Pr.Sci.Nat. (Endeavour).

[2] K. Harris CPG (Endeavour) is Qualified Person for Youga mineral resources; A. de Freitas C.Eng (Endeavour) is Qualified Person for Youga mineral reserves. Most recent filed report is "Technical Report, Mineral Resource and Mineral Reserve Update for the Youga Gold Mine, Burkina Faso, West Africa" effective date December 31, 2014, prepared by K. K. Woodman, K. Harris and A. de Freitas of Endeavour.

[3] K. Harris CPG (Endeavour) is Qualified Person for Agbaou mineral resources; M. Alyoshin MAusIMM CP Min (Endeavour) is Qualified Person for Agbaou mineral reserves. Most recent filed report is "Technical Report, Mineral Resource and Mineral Reserve Update for the Agbaou Gold Mine, Côte d'Ivoire, West Africa" effective date December 31, 2014, prepared by A. Roux, K. K. Woodman, K. Harris and M. Alyoshin.

[4] K. Harris CPG (Endeavour) is Qualified Person for Tabakoto and Kofi mineral resources; M. Alyoshin MAusIMM CP Min (Endeavour) is Qualified Person for Tabakoto and Kofi open pit mineral reserves; M. Glasspool Pr Eng (Endeavour) is Qualified Person for Tabakoto and Ségala underground mineral reserves. Most recent filed report is "Technical Report and Mineral Resource and Mineral Reserve Update for the Tabakoto Gold Mine, Mali, West Africa" effective date December 31, 2013, prepared by G. de Hert EurGeol (Endeavour); K. Harris CPG (Endeavour); M. Alyoshin MAusIMM CP Min (Endeavour); V. Duke ECSA (Sound Mining); A.A. Roux Pr.Sci.Nat. (Endeavour); E. Puritch, P.Eng (P&E Mining Consultants Inc.); and A. Yassa, P.Geo (P&E Mining Consultants Inc.).

[5] M. Zammit MAIG (Cube Consulting) is an independent Qualified Person for the Vindaloo mineral resources. K. Harris CPG (Endeavour) is a Qualified Person for the Bouéré and Dohoun mineral resources. R.M. Cheyne FAusIMM (Orelogy) is an independent Qualified Person for the Vindaloo mineral reserves and the overall mining schedule. M. Alyoshin MAusIMM CP Min (Endeavour) is a Qualified Person for the Bouéré and Dohoun mineral reserves. Most recent filed report is "Houndé Gold Project – Burkina Faso, Feasibility Study NI 43-101 Technical Report" effective date October 31, 2013, prepared by M. Zammit MAIG (Cube Consulting); M. Warren MIEAust CPEng (Lycopodium); R.M. Cheyne FAusIMM (ORELOGY); D. Morgan CPEng (Knight Piésold); and P. O'Bryan MAusIMM (CP) (Peter O'Bryan and Associates).

The following notes apply to all the Resource and Reserve Tables in this AIF:

- *The mineral resources and reserves have been estimated and reported in accordance with Canadian National Instrument 43-101, 'Standards of Disclosure for Mineral Projects' and the Definition Standards adopted by CIM Council in May 2014.*
- *Mineral resources that are not mineral reserves do not have demonstrated economic viability.*
- *Tonnages are rounded to the nearest 100,000 tonnes; gold grades are rounded to one decimal place; ounces are rounded to the nearest 1,000oz. Rounding may result in apparent summation differences between tonnes, grade and contained metal.*
- *Tonnes and grade measurements are in metric units; contained gold is in troy ounces.*

Agbaou Gold Mine, Côte d'Ivoire, West Africa

The following technical disclosure relating to Agbaou is derived principally from the summary from the "Technical Report, Mineral Resource and Reserve Update for the Agbaou Gold Mine, Côte d'Ivoire, West Africa" dated effective December 31, 2014 ("**Agbaou Report**") prepared by A. Roux, K. K. Woodman, K. Harris and M. Alyoshin of Endeavour. Readers should consult the Agbaou Report to obtain further particulars regarding Agbaou. The Agbaou Report is incorporated by reference in its entirety herein and is available for review electronically on SEDAR at www.sedar.com under the Corporation's profile.

Location

Agbaou is located in southern Côte d'Ivoire approximately 200km north of Abidjan, the economic capital of the country. The permit, which comprises the mining area, is centred on 06^{o} 08' north latitude and 05^{o} 11' west longitude, is reached by tarred and secondary gravel roads and within 10km of the national electrical power grid.

Ownership

Endeavour operates the producing Agbaou gold mine and mill which was commissioned in the fourth quarter of 2013 and entered commercial production in January 2014. The Agbaou exploitation permit, which covers an area of 334km^2, was granted to Etruscan Resources Cote d'Ivoire SARL ("**ERCI**") by Decree no. 2012-766 on August 1, 2012. A transfer was then granted to the newly formed Agbaou Gold Operations SA ("**AGO**"), which is held 85% by Endeavour Resources Inc. and 15% by the government of Côte d'Ivoire (10% directly and 5% through Société pour le Dévelopment Minier de la Côte d'Ivoire ("**SODEMI**"), the national mining agency.

History

Alluvial gold has been known for some time in the Agbaou area. Gold mineralization in bedrock was first reported during the late 1980's followed by extensive exploration conducted between 1988 and 1994, while the ground was held by a joint-venture between BHP Minerals and SODEMI. Between 1996 and 2000 the property was held by Goldivoire S.A.R.L. which undertook exploration that confirmed and further defined BHP's previous results. The government of Côte d'Ivoire withdrew the Agbaou permit and on November 27, 2003, the Ministry of Mines and Energy for Côte d'Ivoire subsequently granted the Agbaou exploration permit to ERCI after Goldivoire ran into financial difficulties.

After obtaining the project in 2003, ERCI drilled an additional 179 drill-holes and conducted various studies. The combination of this information with the historic information formed the basis for a Feasibility Study in 2009. Following this, ERCI continued with an infill and exploration drilling program from 2010 to 2011 by drilling an additional 85 holes (7,063m), which required the re-estimation of the mineral resources.

Subsequent to the formation of AGO, during 2013 and 2014, two drill campaigns have been completed which included drilling an additional 310 holes (28,331m) which further defined additional mineral resources at Agbaou.

Geology

The Agbaou area is underlain by rocks of the Archean-Proterozoic Man Shield which forms the southern half of the larger West African Craton. The shear-zone hosted gold mineralization of the Agbaou deposit occurs within a sheared volcano-sedimentary succession that was subjected to lower green-schist facies metamorphism, forming the Birimian age Oumé-Fetekro Greenstone Belt, surrounded by granodioritic intrusions.

Gold occurs in a mesothermal auriferous sulphide (pyrite + pyrrhotite) assemblage associated with quartz veins. The quartz veins are characterized by a wide range of quartz-vein types, brecciation, boudinage, sericitic and carbonate alteration, however, the mineralized quartz veins have a very distinctive texture that has been described as "mottled". These veins are easily identifiable in the drill intersections and pit mapping.

Exploration

ERCI's evaluation of the Agbaou area began in 2003 following the acquisition of the Agbaou permit. Exploration has been carried out under the supervision of technically qualified personnel applying standard industry approaches. Geochemical data quality has routinely been assessed as part of on-going exploration procedures. All data acquired meets or exceeds industry standards and all exploration work has been carried out by, or supervised by technical personnel of the operator. Consultants and contractors have been engaged by ERCI for various activities including; sample collection, drilling and assaying.

ERCI conducted detailed and regional soil geochemical surveys which identified the gold mineralization at areas known as Agbaou, Agbaou South, Zehiri and Niafouta. A total of 876 pits and four trenches were dug to explore the laterite resource but these results were not used in the resource estimation. A total of 1,208 holes (diamond and RC) were drilled at Agbaou, by AGO and previous operators totalling 110,198m.

Geochemical data, used in conjunction with the available geophysical surveys and geological mapping, has been effective in the delineation of significant gold mineralization targets within the project areas. This methodology continues to provide drill targets.

Data

Only limited sample preparation was done on site and this pertains mainly to the cutting of core samples and the splitting of percussion drilling chips with riffle-splitters. All crushing and sample pulverization was completed by independent commercial laboratories following standard industry practice. The samples of the most recent campaigns were submitted to the Bureau Veritas Mineral Laboratory Côte d'Ivoire, in Abidjan for gold analyses using the fire-assay method with an atomic-absorption finish. An auditable chain of custody was established for the sample handling, data reporting and database capture.

The reliability of the gold assay results was based on a well designed and implemented quality assurance and quality control protocol that includes the analysis of blind blanks, duplicates and certified reference materials. In addition, selected samples were submitted to umpire laboratories. The apparent coarse nature of the gold results in a relatively high variability in the field duplicate set. The laboratory returned very good results for the certified reference materials and blanks.

The variation in results of the duplicate pulp samples submitted to the SGS laboratory in Ghana and to the accredited SGS Laboratory in Canada indicates poor but acceptable replication at the umpire laboratories, mainly the result of the coarse nature of the gold.

The authors believe the current quality systems in place at Agbaou to monitor the precision and accuracy of the sampling and assaying is adequate and that the laboratory returned acceptable results for use in resource estimation.

Mineral Resources

Agbaou is an operating mine. The mineral resource models supporting the current mineral reserves estimates for Agbaou were updated in 2014 by Endeavour personnel. Since 2012 eight new resource areas, North Satellite, MPN, WP, P2-7, P4-5-6, Beta, Gama and SW were the focus of drill programs and internal resource estimates.

Gold grade interpolation has been completed using a combination of Ordinary Kriging ("**OK**") and Inverse Distance ("**ID**") methods for the satellite areas. The North and South Pit deposits were estimated by Multiple Indicator Kriging by SRK in 2013 and the only change for this update was for mining depletion.

Endeavour prepared the mineral resource estimate by conventional block modeling techniques, using 92,431m of assayed intervals from 1,019 drill-holes that were within the modeled area. Grade shells were defined using a threshold assay of 0.50g/t Au as the lower limit for inclusion within the grade shell. Individual blocks within the block model were sized to approximate the size of the selective mining unit.

Samples were composited to standard two-metre lengths, starting from the top of the mineralized zone wireframe for each hole. Statistical analysis was employed to define high-grade outlier gold assays, and all composites inside the grade shells were capped at between 8g/t and 40g/t Au. The capping procedure reduced the average grade of the composites by 7%.

Grades were interpolated into individual blocks using OK, MIK or ID3. The dimensions of the search ellipsoids were based on geostatistical analysis, and grades were interpolated in three passes, with increased search radii for each successive pass.

Endeavour validated the estimation quality of the Agbaou model by using summary statistics, checking for global estimation bias, drift analysis and by visual inspection of composites and estimated grades on vertical and horizontal sections.

In order to determine the quantities of material offering "reasonable prospects for economic extraction" by an open pit, Endeavour used a $1,600/oz optimized pit and reasonable mining assumptions to evaluate the proportions of the block model (Measured, Indicated and Inferred blocks) that could be "reasonably expected" to be mined from an open pit.

The mineral resources are defined within an optimal pit shell generated using the following parameters:

- overall pit slope of approximately 30 to 50 degrees;
- commodity price of $1,600/oz Au;
- average process recovery of 93%;
- average process cost of $27/t; and
- refinery, selling and royalty costs of 4% of sell price.

The resource model was updated for the mineralized zones with new drilling information (P1, P2, P4, P5, P6, WP, MPN, SW, Gama, Beta) in December, 2014. The resource model for all the other zones was not changed from the August 2013 SRK update except for depletion due to mining, as at December 31, 2014.

The most recent resource interpolation for Agbaou was completed by Endeavour effective December 31, 2014. A summary of the interpolated resources at 0.5 g/t cut-off is provided in Table 1.

Table 1: Mineral Resources (including Reserves) as of December 31, 2014

Deposit	Resources (including Reserves)											
	Measured			Indicated			Measured & Indicated			Inferred		
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	T (000's)	Au g/t	oz (000's)
North/South	2,572	2.9	239	6,207	2.7	536	8,779	2.8	775	491	1.9	30
Laterite	-	-	-	1,617	1.0	53	1,617	1.0	53	373	0.7	8
Flat	-	-	-	60	0.7	1	60	0.7	1	23	0.5	0
MPN	-	-	-	299	2.5	24	299	2.5	24	27	2.4	2
P1	-	-	-	9	1.9	1	9	1.9	1	6	0.7	0
P2	-	-	-	132	1.9	8	132	1.9	8	20	2.0	1
P4	-	-	-	129	3.3	14	129	3.3	14	12	3.0	1
P5	-	-	-	439	2.9	40	439	2.9	40	78	2.5	6
P6	-	-	-	234	3.0	22	234	3.0	22	47	2.2	3
WP	-	-	-	1,490	2.0	95	1,490	2.0	95	187	1.8	11
Beta	-	-	-	96	3.0	9	96	3.0	9	139	4.6	21
Gama	-	-	-	311	4.7	47	311	4.7	47	471	3.4	52
SW	-	-	-	35	2.7	3	35	2.7	3	207	2.9	19
Stockpile	304	1.7	16	-	-	-	304	1.7	16	-	-	-
Total	**2,875**	**2.8**	**255**	**11,058**	**2.4**	**854**	**13,933**	**2.5**	**1,109**	**2,081**	**2.3**	**154**

The mineral resources have been estimated in accordance with Canadian National Instrument 43-101 'Standards of Disclosure for Mineral Projects' ("**NI 43-101**") and Definition Standards adopted by the CIM Council in May 2014 ("**CIM Definition Standards**").

Mineral Reserves

The Agbaou mineral reserve estimates as of December 31, 2014 stated in this report are based on the mineral resources reported above and updated by Endeavour personnel under the supervision of Mr. Alyoshin.

The key modifying parameters upon which the end 2014 mineral reserve estimates were made are summarized in Table 2.

Table 2: 2014 Reserve Key Modifying Parameters

Applied Modifying Parameters	End 2014
New optimization	Yes
Gold Price ($/oz)	1,350
Royalty	4%
Total Process cost ($/t milled)	23.9-30.6
Process recovery	91-96%
Mining cost	Mining contractor rates
Mining Dilution	14%
Mining loss	5%
Pit slopes	30-50 degrees
G&A cost ($/t milled)	6.4-8.3
Mining in-situ Cut-off Grade (g/t)	0.7-0.9

Based on the updated Measured and Indicated mineral resources for the various mineral deposits at Agbaou, the Proven and Probable mineral reserves for the open pit operations, using a gold price of $1,350/oz, as of December 31, 2014, are estimated to be 11.53 million tonnes at a grade of 2.5g/t containing 926,000oz of gold. This includes 304,000 tonnes of ROM pad ore stockpile at a grade of 1.7g/t containing 16,000oz of gold (Table 3).

Table 3: Mineral Reserves as of December 31, 2014

Deposit	Reserves									Gold Price $/oz
	Proven			Probable			Proven and Probable			
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	
North	1,867	3.0	178	5,501	2.4	427	7,368	2.6	605	1,350
South	558	2.3	42	1,190	2.3	87	1,748	2.3	128	
West	-	-	-	2,109	2.6	176	2,109	2.6	176	
In-Situ Total	**2,425**	**2.8**	**220**	**8,800**	**2.4**	**690**	**11,225**	**2.5**	**910**	
Stockpile	304	1.7	16	-	-	-	304	1.7	16	
Grand Total	**2,729**	**2.7**	**236**	**8,800**	**2.4**	**690**	**11,529**	**2.5**	**926**	

This reserve estimate has been determined and reported in accordance with NI 43-101 and CIM Definition Standards.

Mining

The Agbaou mine commenced operations in the third quarter of 2013 with open pit mining and carbon in leach ("**CIL**") processing facilities. During 2014 mining operations at Agbaou concentrated on the Main and South Pits from which a total of 19.56 million tonnes of material were mined to deliver 2.74 million tonnes of ore at an average grade of 1.97g/t Au containing 173,500oz to the ROM pad.

Agbaou involves a conventional open pit, selective mining exploitation method, employing a mining contractor – BCM International Ltd. ("**BCM**").

Metallurgy and Process Plant

In 2007, comminution and recovery metallurgical testwork was performed by Mintek in South Africa on ore samples from the Agbaou deposits. The results were used in the initial feasibility study to develop the process flowsheet. Additional testwork including; specific gravity, gravity recoverable gold, high shear reactor, oxygenation, composite leach kinetics, preg-robbing variability, variability leach, thickening, rheology and viscosity testwork was undertaken in 2011 by Oreway Mineral Consultants ("**OMC**") in order to make recommendations for a suitable comminution circuit to treat the Agbaou ore.

The Agbaou processing plant uses the conventional gravity/CIL gold recovery process. The comminution circuit of the process plant is comprised of a primary jaw crusher, followed by SAG and ball mills. A dedicated gravity circuit consisting of a concentrator, intensive cyanidation package and an electrowinning cell recovers free gold from a portion of the milled product.

The rest of the milled product is processed in the CIL circuit where gold contained in the ore is leached and adsorbed onto activated carbon. The CIL tails slurry undergoes cyanide destruction prior to disposal in the tailings dam. Loaded carbon is acid washed and rinsed prior to elution. The electrolyte leaving the Anglo American Research Laboratory elution circuit undergoes electrowinning where gold sludge is produced. The sludge is dewatered using a pot filter and dried in a drying oven ahead of smelting. Fluxes are added to the dried gold sludge and the mixture placed in the smelting furnace. After smelting the furnace crucible contents are poured into cascading moulds. The gold bars are cleaned, sampled, labelled and prepared for shipping.

Infrastructure

The Agbaou mine currently has three operating open pits (North, South and North Satellite) with a processing plant which uses a conventional CIL gold recovery process. The site is connected to the national electrical grid by a 15km, 91 kV electrical transmission line and substation at site.

Water supply is 71% from recycled process water and 29% from the water storage dam and/or from boreholes.

There are 588 personnel on-site, of whom 359 are contractors and 229 AGO employees. The total work force is 91% Ivorian and almost 25% of work force is from local (impacted) villages. Accommodations for senior and junior staff members are provided by a camp located 2.7km from the plant which is capable of housing 128 persons.

Market Studies and Contracts

Gold output from Agbaou is in the form of doré bars which are shipped to Europe for refining by Metalor, the contract refiner.

A number of operational duties have been contracted out to suppliers, most notably BCM as the mining contractor, SGS operates the onsite laboratory and All Terrain Services caters and manages the senior staff camp.

The various contracts were awarded following a competitive bidding process, prices are within the industry range and comparable to other operations in Côte d'Ivoire or West Africa.

Environmental and Social

An Environmental Impact Assessment ("**EIA**") was undertaken from December 2007 to July 2008 to investigate the local environmental and social situation existing prior to the development of Agbaou and to determine the likely positive and negative impacts of mine operations at Agbaou. The timing, extent, intensity and cumulative effects of these impacts were investigated. The EIA identifies the necessary management measures required to mitigate the identified impacts. These form the basis of the Environmental Management Plan and the Relocation Action Plan.

The Agbaou mine has a dedicated Safety, Occupational Health and Environment department which operates under the guidance of a set of principles which define the regulatory and corporate governance commitments of the Agbaou mine in respect of the manner in which it conducts its business.

Production and All-In Sustaining Costs

In 2014, Agbaou mine produced 146,757oz at an all-in sustaining cost ("**AISC**") of $621/oz. The 2015 production is estimated to be 150,000 to 155,000oz at an AISC estimated in the range of $690 to $740/oz produced and includes all mining, treatment, general and administrative costs, sustaining capital and royalties which are incurred at the mine site. The AISC costs exclude depreciation, amortization and corporate general and administrative costs.

Conclusions

Agbaou is a successfully operating gold mine that started commercial production in January 2014 and is projected to continue until 2021 based on currently available mineral reserves.

The exploration database for Agbaou is reliable for the purpose of resource estimation. The mineral resources and mineral reserves have been updated to December 31, 2014. A total of 11.5 million tonnes of ore will be mined at an overall strip ratio of 11 to 1.

Grade control reconciliation has confirmed the mineral resources and mineral reserves as previously stated for Agbaou. The results of this update to the mineral resource and mineral reserve evaluation confirm the continued economic viability of exploiting Agbaou.

The current life of mine ("**LOM**") production schedule has 11.5 million tonnes of ore at an average grade of 2.5g/t Au containing a total of 926,000oz of gold.

Recommendations

A follow-up exploration program consisting of several components is recommended on the Agbaou Exploitation Permit. The main objective is to establish additional mineral reserves for Agbaou and thereby extend the mine life. The total exploration budget to complete all of the required work on the mine permit area is estimated to be $4.6 million for 2015. The proposed work program includes 7,500m of core and 22,500m of RC drilling in approximately 250 holes testing eight target areas. This is an annual exploration program and, as an operating mine, there will be a further phase of exploration in the following year based on results from the 2015 program.

Nzema Gold Mine, Ghana, West Africa

The following technical disclosure relating to Nzema is derived principally from the summary from the "Technical Report and Mineral Resource and Reserve Update for the Nzema Gold Mine, Ghana, West Africa", dated effective December 31, 2012 (the "**Nzema Report**"), prepared by Nicolas J. Johnson of MPR Geological Consultants Pty Ltd., Quinton De Klerk of Cube Consulting Pty Ltd. and William J.A. Yeo and Adrian A. Roux of Endeavour. The disclosure below has been supplemented with more recent information which has been prepared by Nicolas J. Johnson and William J.A. Yeo, both authors of the Nzema Report, and by Michael Alyoshin of Endeavour, each of whom is a qualified person under NI 43-101. Readers should consult the Nzema Report to obtain further particulars regarding Nzema. The Nzema Report is incorporated by reference herein and is available for review electronically on SEDAR at www.sedar.com under the Corporation's profile.

Location

Nzema is located in the Western Region of Ghana, approximately 280km west of the capital, Accra, and less than 20km from the coast at Essiama. The mine property is centred on latitude 5º00'N and longitude 2º14'W and is accessed from Accra by driving 225km on the main coast highway to Takoradi and from there on 79km of paved road to the village of Teleku Bokazo and then a further 8km on the mine access road which is a well maintained all-weather dirt road to the mine offices.

Ownership

Adamus, a Ghanaian entity, holds four mining licenses (140km^2) and 11 prospecting licenses (533km^2) covering a total area of 673km^2 that constitutes the Nzema property. Endeavour has a 90% interest in Adamus and the government of Ghana holds a 10% free carried interest. The mining licenses are subject to a 5% royalty on gold production payable to the government of Ghana.

Geology

The mineralization at Nzema is within the Birimian Supergroup rocks (c. 2.1-2.2 Ga) with minor granitic intrusions, bounded by large granitoid bodies to the west and east. The Birimian Supergroup is divided into a series of narrow northeast striking, laterally extensive volcanic "belts" separated by broader sedimentary "basins". Regional northeast striking shear zones that parallel the belt appear to be fundamentally important in the development of the Birimian gold deposits for which Ghana is well known such as Ashanti, Prestea-Bogosu, Konongo and Bibiani. The mineral deposits on the property include Salman Trend and Adamus[1] deposits and also several smaller deposits (Bokrobo, Akropon, Nfutu, Aliva and Avrebo). Salman Trend gold deposits are believed to be associated with the same belt-margin shear zones that host the other Ashanti Belt gold deposits and has many characteristics typical of these deposits.

The Salman Shear Zone has placed Birimian greywacke and phyllite packages in contact. The Salman Trend gold deposits occur along a 9km segment of the shear zone. While the Salman Shear Zone appears to be the main locus of gold mineralization, pockets of gold mineralization have been identified on or adjacent to other faults and structural features within the area.

The Adamus deposit is hosted by a northwest striking, northeast dipping package of greywacke (footwall) and interbedded greywacke-phyllite (hangingwall). In the western (footwall) part of the deposit, gold mineralization is also hosted by a steeply northeast dipping granite dyke that gradually converges on the hangingwall to the northwest. The few facing directions observed suggest the meta-sedimentary package is overturned.

Other satellite deposits near to Adamus and hosted in the same meta-sedimentary package include Bokrobo, Akropon, Nfutu, and Aliva. The Avrebo deposit is on the southeast portion of the property and is hosted by metabasalt.

[1] Previously referred to variously as the Anwia deposits or Ebi Teleku-Bokazo deposits.

Mineralization

Most of the gold lodes on the Salman Trend are within the immediate footwall of the shear zone within quartz-veined silica-sericite-carbonate altered greywacke and/or granite with disseminated arsenopyrite. Some narrow, shear zone parallel zones of gold mineralization are present in the hangingwall graphitic phyllite. Gold mineralization is associated with a complex array of deformed quartz veins and arsenopyrite disseminations in the silica-sericite-carbonate altered metasediments and granitoid. The fresh or "sulphide" mineralization is refractory but it is not included in mineral reserves or production schedules.

At the Adamus deposit the gold mineralization is intimately associated with pyrite disseminated within and around a complex array of deformed pale grey to dark smokey grey quartz-carbonate-sericite±albite veins. A broad silica-sericite alteration zone about 200m thick and 450m long is developed in the footwall greywacke sequence and in some areas obliterates primary sedimentary structure. The silica-sericite alteration zone is more extensive than the gold-pyrite mineralization. There is no significant component of refractory gold mineralization in the sulphide zone at Adamus. The surface projection of identified mineralization trends northwest for approximately 900m and is up to 400m wide. Within this zone there are seven distinct domains of varying orientation and style that were used for the resource estimation.

The Bokrobo deposit comprises generally north-south trending, steeply west dipping auriferous quartz veins hosted by strongly silica and iron carbonate altered, medium to coarse grained, carbonaceous greywacke. A north-south trending dolerite dyke, dipping sub-vertically to the west cuts the depth extension of the main vein. In the southern portion of the deposit, a west-northwest to east-southeast trending, steeply south-southeast plunging 'dyke-like' granitic intrusion is cut by numerous auriferous quartz veins forming a sheeted vein system. In the north of the deposit, mineralization generally occurs in a single lode, but in the south, the mineralization occurs as two main lodes and a series of narrow stacked lodes around or in the outer margins of the granite intrusion.

Akropon mineralization occurs within a wide zone of silicification associated with pyrite and quartz veining with sericite as an accessory alteration mineral. The difference between the apparent dip of the mineralization and bedding suggests an en echelon vein array or possibly complex veining across a fold closure. Very little arsenopyrite has been identified at Akropon and the mineralization in other deposits in this area are non-refractory, but metallurgical testing is required.

At Nfutu mineralization occurs within quartz-pyrite veins and pyrite disseminations, typically around veins, in the host rocks with silica, iron carbonate and sericite as the major alteration minerals. Multiple flat-lying to shallowly east dipping and southeast plunging lodes occur as stacked lenses that appear to thicken with depth. Mineralization is more prominent at the graphitic phyllite-greywacke contact than in the competent greywacke. Only traces of arsenopyrite were identified in drill-core, and preliminary metallurgy shows that mineralization is non-refractory.

At Aliva mineralization occurs as a series of stacked, shallowly east-dipping lenses subparallel to the east dipping contact between carbonaceous phyllite footwall and greywacke hangingwall. Mineralization appears to wrap around gentle to open folds and is associated with quartz veins with sericite alteration and pyrite disseminations in the veins and surrounding host rocks. No arsenopyrite has been identified at Aliva and the mineralization in other deposits in this area are non-refractory. Metallurgical testwork on 76 samples of all material types returned over 90% recovery.

At Avrebo the gold mineralization occurs in north-south to northeast-southwest trending, subvertical to steeply east-dipping, strongly sericite-iron carbonate altered lodes within metabasalt. Pyrite has been the only sulphide identified to date suggesting that the sulphide gold component may be non-refractory. Metallurgical tests have not yet been completed.

Exploration

Exploration activities completed by Endeavour (and predecessor owners) and by other companies include:

- Soil sampling – 85% of the property is covered by 50m x 400m soil sampling with areas of infill;
- Ground geophysics - Induced polarization ("**IP**") over areas of interest for a total of 59 line km;
- Airborne geophysics – 2,555km of heliborne electromagnetics ("**DIGHEM**") in several surveys plus radiometrics over some areas;
- Trenching – 16,676m in 253 trenches by various companies over key areas;
- Pitting – 2,157m of sampling in 583 pits by various companies in key areas;
- RC drilling and core drilling – 305,400m on mineral deposits plus 76,270m on targets and prospects on the property; and
- Completion of a regional geological targeting study by SRK Consultants.

In 2014, a total of 6,570m of RC were drilled essentially at the Bernard and Abosso prospects with the aim of defining the strike extent of the mineralization. The data is being reviewed to be part of the proposed 2015 drill program.

Mineral Resources

The mineral resources have been determined and reported in accordance with NI 43-101 and CIM Definition Standards.

Table 1 presents the Nzema mineral resource estimate by deposit. The estimates are reported at a 0.5g/t Au cut-off grade and constrained by a $1,600/oz pit shell (effective date December 31, 2014).

Table 1: Mineral Resources (including Reserves) as of December 31, 2014

Deposit	Mineral Resources (including reserves)											
	Measured			Indicated			Measured & Indicated			Inferred		
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)
Adamus	3,778	1.80	218	3,070	1.60	160	6,848	1.70	378	397	1.40	18
Salman	17,639	1.30	709	7,945	1.20	306	25,584	1.20	1,015	5,484	1.30	233
Bokrobo	801	2.50	64	357	3.10	36	1,158	2.70	100	110	1.50	5
Nfutu	308	1.20	12	313	1.00	11	621	1.10	22	14	1.10	1
Aliva	834	1.00	28	153	1.00	5	987	1.00	32	45	1.10	2
Avrebo	-	-	-	1,118	0.90	33	1,118	0.90	33	140	1.00	4
Akropon	-	-	-	-	-	-	-	-	-	1,428	1.10	49
Stockpile	386	0.85	11	-	-	-	386	0.85	10.6	-	-	-
Total	**23,746**	**1.36**	**1,040**	**12,956**	**1.32**	**550**	**36,702**	**1.35**	**1,590**	**7,618**	**1.27**	**311**

Mineral Reserves

Mineral reserves are constrained within specific pit designs that are based on Measured and Indicated mineral resources only and take into consideration all appropriate modifying factors including mining and process costs, recoveries and other metallurgical parameters, geotechnical parameters, infrastructure and permitting requirements. The modifying factors used to determine the mineral reserves for the mine are detailed in Section 15 of the NI 43-101 Technical Report published in April 2013.

The mineral reserves have been determined and reported in accordance with NI 43-101 and CIM Definition Standards.

The mineral reserves were based on the various cut-off grades derived from various gold recovery/process costs for the different material types and haulage distances from each specific deposit to the process plant.

Table 2 provides a summary of the mineral reserves by deposit determined as of December 31, 2014.

Table 2: Mineral Reserves as of December 31, 2014

Deposit	Reserves									Gold Price $/oz
	Proven			Probable			Proven and Probable			
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	
Adamus	2,405	2.4	185	1,685	2.2	122	4,090	2.3	307	1,350
Salman	1,594	1.5	79	188	1.3	7.6	1,782	1.5	87	
Bokrobo	510	3.1	51.1	181	4.4	25.6	691	3.5	77	
Aliva	313	1.4	14	33	1.3	1.39	347	1.4	15	
Total, in-situ	**4,822**	**2.1**	**329**	**2,087**	**2.3**	**156.3**	**6,909**	**2.2**	**485**	
Stockpile	386	0.9	11	-	-	-	386	0.9	11	
Grand total	**5,208**	**2.0**	**339**	**2,087**	**2.3**	**156**	**7,295**	**2.1**	**496**	

The Salman and Adamus deposits account for 18% and 62% of the total reserves respectively.

Mining and Mine Plan

The mining method is conventional open pit mining including drilling, blasting, loading and hauling operations carried out by African Mining Services Ghana Ltd. ("**AMS**") a mining contractor. Ore was mined from the Adamus and Aliva ore bodies during 2014.

The mining capacity of the fleet provided by AMS meets the earthmoving requirements of the mining schedule as generated by Nzema technical management and properly supports mining operations. The in-pit material excavation is largely conducted by two Liebherr 984C back-hoe excavators equipped with $7m^3$ buckets as the main production units and material haulage done by CAT 777 rear dump trucks. Ore mined is sent to a near-pit-satellite stockpile and rehandled by another contractor using $20m^3$ road trucks to the main plant ROM pad. Waste mined from the pit is sent to the waste dump.

The ore control strategy targeting delineation of ore and waste uses RC holes piercing multiple benches. The geological and assay information, obtained from 18m deep holes, assayed every 1m, supports the grade control block model used by geologists and surveyors for final ore/waste discrimination and in-pit mark-up.

Production drilling and blasting is performed on 6m to 9m bench height, depending on geological and geotechnical settings of a given deposit, with blasted material excavated in discrete 3m high flitches.

The explosives magazine on site consists of the ammonium nitrate mixing shed for the manufacturing of bulk explosives, four 20 foot containers for storing detonators, high explosives and other explosive accessories. The supply of detonators, boosters, bulk explosives, initiating systems and other explosives material into the magazines for storage is the responsibility of the blasting contractor, MAXAM International. The usage of the explosives and accessories on the mine on the day-to-day blasting operations is the responsibility of the mining contractor (AMS) in consultation with Adamus.

The waste rock dumps associated with mining operations are constructed to meet the requirements of the Ghana Mining and Explosive Regulations and Environmental Protection Agency ("**EPA**") stipulated guidelines. All areas earmarked for waste dumps are sterilized before dumping commences.

The current reserves support a mine life of five years. The primary objective of the project production schedule has been to maximize the early cash flow from the operation by delaying the increased mining costs and bringing revenue forward as much as possible. This objective has been achieved within the following constraints:

- Ensuring continuous ore supply to the processing plant for the selected 1.6-2.0mtpa throughput rate;
- Land access constraints;
- Keeping the vertical mining advance rates generally below 9m (3 flitches) per month (except at the start and end of the pit stages depending on the bench quantities);
- Maintaining a supply of approximately four weeks of mill feed in the ROM stockpile at a reasonable grade; and

- Maintaining constant working strip ratios and consequently smooth mining rates for extended periods of time as much as possible.

Metallurgy and Process Plant

The Nzema process plant is a conventional gravity/CIL plant that produces gold doré bullion. The plant has been operating since February 2011 and achieved commercial production in April 2011. The design throughput treatment rate depends on the hardness of the ore with 2.1mtpa of softer oxide ore and 1.6mtpa of the harder transition ore. The average throughput rate is currently 1.6Mtpa given the mix of ore feed.

The process plant facilities include a primary jaw crusher, a 3.5MW SAG mill, a gravity concentrator in circuit with an Inline Leach Reactor ("**ILR**"), CIL circuit, cyanide destruction circuit, refinery to produce doré bullion; tailings discharge system and the necessary reagent, water and air supply systems.

Nzema has several types of mineralization: oxide, upper transition, lower transition and fresh ore with different recovery characteristics. All of the mineralization has good gold recoveries (i.e. 88% to 95%) with the exception of the Salman lower transition (55%) and fresh (or "primary"; 35%) mineralization. The Salman Trend lower transition and fresh mineralization is refractory due to the some of the gold being within fine grained arsenopyrite.

During 2014 the main plant feed came from Adamus, supplemented by ore from Aliva and third party sources. The third party material is blended with the ore from Adamus and Aliva to achieve the production targets for throughput and recoveries. A total of 39,453oz was produced for the year from third party sources.

Oxide material from Adamus is mainly goethite, with free particulate gold derived from weathering of the fresh mineralization. Gold is free milling and amenable to high recoveries by a combination of gravity concentration and cyanide leaching - CIL.

Gold in Adamus sulphide zones is associated with pyrite whereas in the Salman Trend it is associated with pyrite and arsenopyrite.

Deleterious elements are generally low in concentration in the mineralization that is included in the production schedule. Arsenic grades are low in the oxides and Adamus sulphides, but high in the Salman transition ore.

Dore alloy (87% Au average) produced by Nzema process plant is shipped to Rand Refinery (Johannesburg, South Africa).

Mine Infrastructure

The Nzema mine infrastructure includes:

- Access roads which meet public roads near Essiama and also near the administrative offices;
- Mine haul roads connecting the Salman, Adamus and satellite deposits to the plant;
- Administrative offices located next to the plant;
- Warehouse and a spares yard located next to the plant;
- Mine contractor maintenance shops;

- Tailings storage facility;
- Water storage impoundment;
- Water supply - from the Ankobra River via an existing 9,000m raw water line fed from river water pumps (available but not in use); and
- Accommodations and cafeteria near the mine gate, close to Essiama.

Environmental and Social Issues, Closure Plan

Nzema has a corporate commitment towards sustainable development that focuses on achieving a high standard of environmental, economic and social performance in its operations.

Nzema maintains compliance with environmental and social regulatory requirements, as stated in the company social and environmental policy and follows through with the requirements of the AKOBEN program as mandated by the EPA. The environmental management of Nzema is defined under the schedules attached to the Environmental Permit EPA/EIA/278 and Environmental Certificate EPA/EMP/127. The Environmental Permit, issued on December 18, 2008, was replaced by the Environmental Certificate issued on November 15, 2013. Table 3 gives a summary of the environmental permits issued to Nzema.

Table 3: Environmental Permits Issued to Nzema

Type of Permit	Agency	Date
Environmental Permit	Environmental Protection Agency	December 18, 2008
Water Abstraction Permit	Environmental Protection Agency	October 8, 2010
Modified TSF and By-pass Road	Environmental Protection Agency	December 20, 2010
Water use permit	Water resources Commission	October 22, 2010
Mining Area Declaration	Minerals Commission	October 9, 2010
Water Discharge Permit	Environmental Protection Agency	October 10, 2012
Water Use Permit -Bangara Stream	Water Resource Commission	April 1, 2013
Water Use Permit -Pit Dewatering	Water Resource Commission	July 1, 2013
Environmental Certificate	Environmental Protection Agency	November 15, 2013
Water Use Permit- Bokrobo Pit	Water Resource Commission	November 30, 2013

The environmental certificate conditions refer to the following documents and plans to provide comprehensive information on the pre-mining environment and guidelines for the post-mining rehabilitation of the site:

- Reclamation Plan (April 2010);
- Environmental Management Plan (August 2011); and
- Environmental Impact Statement ("**EIS**") (November 2008).

Other commitments under the Schedule to the Nzema environmental permit and in the project EIS include:

- Posting of a Reclamation Bond;
- Compliance with Minerals and Mining Act, Act 703 (2006);
- Compliance with Mining Regulations LI2182 (2012); and
- Setting up of a Sustainable Investment Fund.

At the end of the LOM, the mining project and infrastructure will be demobilized subject to the mine closure plan in compliance with the existing legal and statutory regulations. The closure plan will be subjected to the approval by the Chief Inspector of Mines and EPA recommendations.

Construction works during 2014 consisted of residential structures, earthworks, roads and drainage systems for the partial resettlement of the Teleku-Bokazo community due to the mining area of influence at the Adamus pit. About 1,400 residents, or approximately 360 households, were relocated by March 2014.

Production and All-In Sustaining Costs

In 2014 Nzema mine produced 115,129oz at an AISC of $1,036/oz. The 2015 production is estimated to be 110,000 to 115,000oz at an AISC cost estimated in the range of $1,000 to 1,050/oz produced and includes all mining, treatment, general and administrative costs, sustaining capital and royalties, which are incurred at the mine site. The AISC costs exclude depreciation, amortization and corporate general and administrative costs.

In September-October of 2013, Nzema successfully conducted a tendering process for the provision of mining services. AMS, the incumbent contractor, submitted the best offer supported by sufficient parent company guarantees and has been awarded another five years' contract. The haul & load, drill & blast, access road construction, the day work and rehabilitation rates, same as a rise & fall adjustment formula were fixed in pricing schedules (by pit, by bench and by material type) of the contract agreement.

Conclusions

Nzema is a successfully operating gold mine that started commercial production in April 2011 and is projected to continue until 2019 based on currently available mineral reserves.

The exploration database for the Nzema project is reliable for the purpose of resource estimation. The mineral resources and mineral reserves have been updated as of December 31, 2014. Adamus (Anwia) provides the majority of the reserves (62%). A total of 45.6 million tonnes will be mined (38.7 million tonnes waste) at an overall strip ratio of 5.6 to 1.0.

In 2014, the Nzema gravity/CIL processing facilities processed 1.59 million tonnes of ore at an average grade of 2.51g/t Au to produce 115,129oz.

Recommendations

Nzema is an operating mine and requires ongoing monitoring of the impact of changes in the gold price and the inflation on prices of power, fuels, labour and spare components.

Tabakoto Gold Mine, Mali, West Africa

The following technical disclosure relating to Tabakoto is derived principally from the summary from the "Technical Report and Mineral Resource and Reserve Update for the Tabakoto Gold Mine, Mali, West Africa" dated effective December 31, 2013 (the "**Tabakoto Report**") prepared by Gerard de Hert, Kevin Harris, Michael Alyoshin and Adriaan Roux of Endeavour, Vaughn Duke of Sound Mining Solution (Pty) Ltd., and Eugene Puritch and Antoine Yassa of P&E Mining Consultants Inc. Readers should consult the

Tabakoto Report to obtain further particulars regarding Tabakoto. The disclosure below is updated and revised to reflect more recent information, and has been reviewed and approved by Kevin Harris and Michael Alyoshin. The Tabakoto Report is incorporated by reference herein and is available for review electronically on SEDAR at www.sedar.com under the Corporation's profile.

Location

Tabakoto is located in western Mali, approximately 360km west of the capital, Bamako, and less than 20km from the border with Senegal. The mine property is centered on latitude 12°56'N and longitude 11°12'W and is accessed from Bamako by driving 360km on the National highway (RN13) to Kéniéba and from there on 15km of all-weather graded dirt road to the mine.

Ownership

Endeavour owns an 80% interest in Tabakoto through a Malian entity, Ségala Mining Corporation S.A. ("**Semico**"). The government of Mali owns the remaining 20% of Semico. Tabakoto is within the Kéniéba Administrative District and is approximately 15km north of the government administrative center of Kéniéba.

Tabakoto totals approximately 113km^2 (1,130ha) and is comprised of the Ségala Exploitation Permit (permis d'exploitation), the Dougala Exploration Permit and two other Exploration Permits (permis de recherche). The mining permit contains the Tabakoto NE, Tabakoto NW, Tabakoto South, Dioulafoundou, Ségala Main, Ségala NW, Dar Salam and Djambaye II deposits as well as the Moralia prospect. In 2012, the Ségala and Tabakoto Exploitation Permits were consolidated along with the Sansanto and Yerémounde mineral titles into the current Ségala Exploitation Permit which is held in the name of Semico.

On December 19, 2014, Endeavour purchased from SOFOM its 6.25% interest in a joint venture with Endeavour in respect of nearby Kofi Nord and as a result, Endeavour holds a 100% interest in Kofi Nord, which totals approximately 400km^2 (4,000ha) and is comprised of the Kofi Nord Exploitation Permit (52km^2) and seven Exploration Permits. The Kofi C deposit (part of Kofi Nord) has been incorporated into the Tabakoto production schedule and therefore is included in this summary. The State of Mali has the right to obtain a 10% free carried interest in Kofi Nord, and may obtain a further 10% negotiated interest.

Geology

The Tabakoto and Kofi properties are located in the eastern part of the Paleoproterozoic Kédougou-Kéniéba Inlier. The Inlier represents the westernmost exposure of the Birimian Supergroup (2050–2200 Ma) of the West African Craton (Lawrence, 2013). The Kédougou-Kéniéba Inlier is bounded on its western margin by the Hercynian Mauritanide Orogenic Belt (Villeneuve, 2008) and is unconformably overlain by flat-lying sandstones of the Paleozoic Taoudeni Basin (Wright et al., 1985).

The Birimian rocks of the Kédougou-Kéniéba Inlier, west of the Senegal-Malian Shear Zone have been subdivided by Endeavour geologists into two parts; the Loulo Basin Series and the Kofi Formation. The Tabakoto and Kofi deposits lie within the Kofi Formation.

The Loulo Basin Series is a distinct and linear trough of rocks bounded to the west of the Senegal-Malian Shear Zone and to the east by a ferruginous brittle fault zone exposed on the

Kofi Property, informally named the Amar Fault. The Loulo Basin Series has a significant component of coarse clastic rock including; conglomerate, breccia and sandstone in addition to the greywacke and fine clastic rocks (argillite) that make up the Kofi Formation. Limestone (layered carbonate) occurs at the top of the stratigraphy of the Loulo Basin Series.

The Kofi Formation, which lies east of the Amar Fault, is composed of deep marine sedimentary rocks, predominantly greywacke and fine clastic rock (argillite) in a turbiditic depositional environment. There is a notable absence of carbonates, conglomerate, sedimentary breccia and mature sandstone in the Kofi Formation.

Mineralization

The known gold deposits of Tabakoto area are typical lode style gold deposits. They can be grouped within the "orogenic type" of structurally controlled gold deposits and also can be considered to be turbidite-hosted deposits (Groves et al. 1998, Golfarb et al. 2005, Robert et al. 2007).

The deposits on Tabakoto are hosted in Birimian turbiditic sedimentary rocks and intrusive rocks that have been deformed during the Eburnean Orogeny. The deposits are structurally controlled and hosted in structures associated with all the deformational events of the Eburnean Orogeny. While individual structures associated with each of the deformational events can host mineable deposits, multiple generations of structure enhances the probability of mineable ore.

The Kofi C deposit is also a lode gold style of deposit and can be considered to be "orogenic type". The deposit is structurally controlled, hosted within intercalated sedimentary rocks and a series of narrow, intrusive dikes or sills. The mineralization is associated with quartz-vein stockwork and sulphides (pyrite).

Exploration

The main exploration activities completed by Endeavour and by other companies include:

- Soil sampling;
- Ground geophysics;
- Airborne geophysics;
- Trenching - four trenches totalling 300m;
- Auger drilling - 1,224 auger holes;
- RC drilling - 28,626m; and
- Core drilling - 58,447m.

Approximately $8.8 million was spent at Tabakoto and $1.9 million spent at Kofi Nord on exploration in 2014 and the funds were directed toward increasing resources and reserves to extend the mine life at Tabakoto.

During 2014, a total of 50,656m of underground diamond drilling was completed at Tabakoto and Ségala and resulted in extending mineralization at depth and along strike at Tabakoto North and South as well as converting Inferred resources into Measured and Indicated mineral resources.

The Ségala drilling has confirmed and improved resource classification in the upper zones as well as considerably extending our confidence at depth. In addition, zones parallel to the main zones are worthy of further investigation.

The surface drilling program consisted of approximately 14,000m of near mine RC drilling on two main target areas namely Moralia and Tabakoto North. New target generation was completed by means of Auger drilling at Ségala SW, Famkan, Sanou Sira and Fougala. Both advanced projects have returned results that justify additional work during 2015.

Kofi Nord exploration in 2014 included 14,000m of in-fill drilling at Basindi, Kofi C and Kofi B. The principal program during 2014 was the conversion of Kofi B to Measured and Indicated mineral resources as well as geotechnical studies on this deposit. Prior to commencement of mining of Kofi C, sterilization drilling was completed on ROM and waste dump areas.

Exploration to date has focused on the southern half of the project area, within trucking distance of the Tabakoto plant. However, there is significant potential in the northern portion given the two major structures that host more than 11 million ounces of resources on Randgold's Loulo property, which continue for 19km onto Kofi Nord. A number of soil geochemistry targets along the trend of these structures remain to be tested.

Mineral Resources

Updated interpretations and mineral resource estimates have been completed for five of the deposits at Tabakoto and Kofi that have new drill hole data. These deposits are:

1. Tabakoto NW zones;
2. Tabakoto NE zones;
3. Tabakoto South zones;
4. Ségala Main zones; and
5. Kofi B zones.

The mill expansion project at Tabakoto (completed in June 2013) provided the opportunity for treatment of additional ore from satellite deposits. One advanced project, namely Kofi C in the Kofi Nord permit and located 40km to the north of Tabakoto, received further drilling and a new resource estimate was completed. Starting January 2015 the Kofi C deposit is being exploited and the ore is trucked to Tabakoto for processing.

The Kofi Property mineral resource estimates were completed independently by P&E Mining Consultants Inc. and reported in an internal report to Endeavour entitled "Independent Technical Report for the Kofi Nord Permit, Mali, West Africa for Endeavour Mining Corporation" and dated September 20, 2013 with an effective date of February 1, 2013. Mineral resource estimates for Ségala West, Ségala NW, Dioulafoundou, Dar Salam, Betea, Kofi A, Blanaid, and A Linear areas were not changed in this update because there was no new drill-hole data. The work completed on these deposits by geology personnel and consultants in 2012 and 2013 end-of-year mineral resource estimates followed on from previous estimates undertaken in March 2011 (Armstrong, 2011) and March 2012 (Puritch, et.al., 2012).

Mineral resource estimate as of the effective date of December 31, 2014 at 1.5 g/t cut-off (underground) and 0.5 g/t (open pit) is provided in Table 1. The mineral resources have been determined and reported in accordance with NI 43-101 and CIM Definition Standards.

Table 1: Mineral Resources (including Reserves) as of December 31, 2014

Area	Resources (including Reserves)												
	Measured			Indicated			Measured & Indicated			Inferred			Gold Price
	t	Au	oz	t	Au	oz	t	Au	oz	t	Au	oz	
	(,000's)	g/t	(,000's)	(,000's)	g/t	(,000's)	(,000's)	g/t	(,000's)	(,000's)	g/t	(,000's)	$/oz
Tabakoto NE	328,000	6.24	65,800	513,000	4.07	67,000	841,000	4.91	132,800	263,000	6.12	51,800	1,600
Tabakoto NW	618,000	4.94	98,000	982,000	4.67	147,000	1,600,000	4.76	245,000	657,000	4.49	94,800	1,600
Tabakoto South	380,000	4.89	59,700	324,000	4.82	50,300	704,000	4.86	110,000	105,000	5.86	19,700	1,600
Djambaye II	42,000	3.69	4,900	482,000	4.65	72,100	524,000	4.57	77,000	814,000	4.71	123,200	1,600
Ségala Main	1,588,000	3.86	197,200	1,704,000	4.54	248,500	3,292,000	4.21	445,700	3,797,000	3.61	440,400	1,600
Segala West	-	-	-	67,000	3.21	6,900	67,000	3.20	6,900	464,000	3.26	48,600	1,600
Segala NW	-	-	-	115,000	3.68	13,600	115,000	3.68	13,600	754,000	3.51	85,000	1,600
Dioulafoundou	-	-	-	155,000	5.26	26,300	155,000	5.28	26,300	514,000	6.08	100,500	1,600
Dar Salam	-	-	-	45,000	3.37	4,800	45,000	3.32	4,800	418,000	3.64	48,900	1,600
Underground Tota	**2,956,000**	**4.48**	**425,600**	**4,387,000**	**4.51**	**636,500**	**7,343,000**	**4.50**	**1,062,100**	**7,786,000**	**4.05**	**1,012,900**	
Tabakoto NW	21,000	4.55	3,100	15,000	5.03	2,400	36,000	4.75	5,500	14,000	4.79	2,200	1,500
Djambaye II	7,000	2.32	500	53,000	3.00	5,200	60,000	2.95	5,700	11,000	2.53	900	1,500
Segala West	-	-	-	91,000	2.49	7,300	91,000	2.50	7,300	130,000	3.73	15,600	1,500
Ségala NW	-	-	-	284,000	2.36	21,500	284,000	2.35	21,500	209,000	1.99	13,400	1,500
Dar Salam	-	-	-	266,000	2.57	22,000	266,000	2.57	22,000	445,000	2.53	36,200	1,500
Open Pit Total	**28,000**	**4.00**	**3,600**	**709,000**	**2.56**	**58,400**	**737,000**	**2.62**	**62,000**	**809,000**	**2.63**	**68,300**	

Mineral Reserves

The mineral reserves have been estimated and reported in accordance with NI 43-101 and the CIM Definition Standards.

Underground mineral reserves are estimated from two deposits, namely Tabakoto and Ségala. Underground resources also exist on Dioulafoundou and Djambaye, however no engineering work has yet been performed to assess the conversion of these mineral resources to reserves.

Open pit mineral reserves were estimated based primarily on the deposits at Kofi Nord (Kofi B and Kofi C). Djambaye II has completed mining, and thus does not appear in the reserve. Dar Salam pit is reported as it is scheduled for future exploitation. The open pit mineral reserves from the Kofi satellite deposits were determined on the basis of trucking ore to the Tabakoto plant.

A combined mineral reserves statement with an effective date of December 31, 2014 is provided in Table 2.

Table 2: Mineral Reserves as of December 31, 2014

Deposit	Reserves									Gold Price $/oz
	Proven			Probable			Proven and Probable			
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	
Kofi C	-	-	-	1,550	4.3	212.5	1,550	4.3	212.5	1,350
Kofi B	280	2.5	22.6	340	2.6	28.5	620	2.6	51.1	
Dar Salam	-	-	-	80	3.0	7.3	80	3.0	7.3	
Open Pit Total	**280**	**2.5**	**22.6**	**1,970**	**3.9**	**248.3**	**2,250**	**3.7**	**270.9**	
Tabakoto	640	4.4	91.0	820	4.2	110.5	1,460	4.3	201.5	1,250
Ségala	1,130	3.3	119.4	1,600	3.9	199.2	2,730	3.6	318.6	
Underground Total	**1,780**	**3.7**	**210.4**	**2,420**	**4.0**	**309.6**	**4,190**	**3.9**	**520.0**	-
Stockpiles	280	1.8	16.2	-	-	-	280	1.8	16.2	
Grand Total	**2,330**	**3.3**	**249.3**	**4,390**	**4.0**	**557.9**	**6,720**	**3.7**	**807.1**	

Mining and Mine Plan

Underground operations of the Tabakoto and Ségala mines provide the bulk of the ore to the Tabakoto mill. Run-of-mine feed from the Kofi C open pit mining provides additional feed to the mill.

Tabakoto is accessed from two portals at the bottom of the Tabakoto open pit which ceased mining in 2011 because it was not economically feasible. The northern portal is used to exploit the Northwest-trending zones in the northern half of the mine and the southern portal for both the Northeast-trending zones and the South zones in the southern half of the mine.

The Ségala Main Zone is accessed by a portal from the side of the Ségala open pit. The mining of the Ségala open pit was completed in 2009. All production from Ségala is from underground sources only. This zone consists of several parallel mineralized structures which run along the length of the ore body. The spacing and the thickness of these structures vary. Individual veins, which can be less than a metre thick, are grouped into ore zones which can collectively be up to 25m thick on average. The Ségala main deposit contains the bulk of the currently defined mineralization on the Property.

The underground mining contractor at Tabakoto and Ségala ceased activities on March 31, 2014. As of April 1, 2014, Endeavour has been self-performing the underground mining. This has generated considerable cost savings.

The mining of the Kofi B and Kofi C deposits will use conventional open pit mining methods with drilling and blasting of competent material followed by load and haul. The current LOM stands at 2018 for Kofi deposits with potential to improve with further exploration drilling. Currently at Kofi C the mining is done by Endeavour with support from a contractor for haulage ("**SFTP**"). Ore is hauled from Kofi C to the Tabakoto plant on a 38km haul road. Currently, there is only an intermittent requirement for production drilling and blasting at Kofi C in the form of 3.5m cap rock blasting, which will be followed by free digging for the next 10-20m. Production drilling and blasting are performed by two separate contractors. The blasting on the ore is more controlled in order to minimize dilution. Excavation of the blasted material is mainly on 2.5 m high flitches. Delivery of ore from Kofi C to the Tabakoto plant began as scheduled in mid-January 2015.

Mine lives based only on Proven and Probable mineral reserves from the underground mines, at Tabakoto and Ségala are scheduled to 2017 and 2019 respectively. The current mineral resources at Tabakoto considerably exceed the current mineral reserves. Extensions to reserves are likely to be realized through the ongoing underground drilling programs planned for 2015 and beyond. Additional drilling has been done at other satellite deposits, principally Dioulafoundou and the results are being evaluated by the exploration team for economic viability.

Metallurgy and Process Plant

In August 2010, an Engineering, Procurement, Construction Management contract was awarded to GENIVAR Limited Partnership of Montreal, to increase the process plant throughput from 2,000 tonnes per day to 4,000 tonnes per day. This project was interrupted by political instability which culminated in a military coup between March and April of 2012. Construction recommenced in 2013 after stability was restored in the country and after Avion was acquired by Endeavour. Final commissioning commenced during March 2013 and the plant was fully commissioned by May 2013.

The plant expansion involved the installation of a new 5,000kW SAG mill in closed circuit with the existing ball mill. The expansion included improvements in capacity for CIL, refining, elution, thickening, gravity circuit, tailings impoundment, fresh water delivery and pumping capacities throughout the plant. The gravity circuit was modified to include an ILR and dedicated electro-winning cells to process the increased volume of gravity recoverable gold.

The tailings dam facility required expansion due to the additional plant throughput. A new tailings dam has been constructed with deposition commencing in June 2014. Deposition will continue on the new dam until it has reached the same height as the current dam. The valley created between the two dams will then become available for future slimes deposition.

Mine Infrastructure

Tabakoto infrastructure includes power, water, tailings facility, mine services facilities and site offices. A mine camp is also maintained for residential staff with a capacity for 260 employees.

The Kofi project infrastructure consists of a 38km road, a Mine Services Area and a small camp able to house up to 8 persons. Water is sourced from boreholes along the haul road route.

Environmental and Social Issues, Closure Plan

The mine adheres to all Malian laws pertaining to Environmental Management however in the absence of an applicable Malian standard, the standards prescribed by the World Bank Guidelines, and WHO Standards are adhered to. Additionally the environmental management implementation is ISO 14001 compliant. The EMS is adhered to via policy and work commitment and is managed by a committee including top management.

Environmental monitoring includes dust fallout, water quality, climatic and blasting (noise and vibration). In addition to waste management and recycling, fire control, pest control (snakes/bees/mosquitoes) and management of wild animals are performed within the mine perimeter. Top soil is stockpiled from all operations for later use in rehabilitation, and a comprehensive nursery is maintained of indigenous species for re-planting on rehabilitated land.

In order to ensure that adequate funds will be available to complete mine closure in a responsible and environmentally acceptable manner, a mine closure cost estimate has been prepared, and rehabilitation costs are budgeted. The estimate serves as a basis for calculating the necessary provisions to be allocated to the closure fund during the operational phase of the mine and to ensure adequate funds are available for closure activities after mining operations cease.

Tabakoto has a social team who manage the social relationship between the mine and the local population. A strategic communication plan has been formulated and a community grievances management procedure established. Contributions to the community are managed by this team in conjunction with senior mine management.

Production and All-In Sustaining Costs

In 2014 Tabakoto produced 127,323oz at an AISC of $1,335/oz. Tabakoto estimates production for 2015 to be in the range of 155,000 to 165,000oz at an AISC of $950 to $1,000/oz which includes all mining, treatment, general and administrative costs, sustaining capital and royalties, which are incurred at the mine site. The AISC costs exclude depreciation, amortization and corporate general and administrative costs.

An amount of $7 million is allowed for non-sustaining capital in 2015 to complete the Kofi Nord facilities and Ségala Cemented Rock Fill plant infrastructure.

Conclusions

The mineral resources and reserves at the Tabakoto operations are robust based on current economics. There remain sufficient reserves to be economically exploited in the near term and extensions to these reserves are adequately indicated through mineral resources and also via favourable geology and exploration drill-hole intersections. Sufficient funding is expected to be available during 2015 and beyond to extend the known underground resources at Tabakoto and Ségala underground mines.

Mining of open pit reserves at the Kofi C deposit began as scheduled in 2015. There also exists significant potential to increase open pittable resources on Kofi Nord through additional systematic exploration. The other deposits on Kofi Nord will continue to be evaluated as potential contributions to the production schedule for the Tabakoto operation.

Operational risks to the LOM plan are quantified and manageable, and political risk has diminished through stability of the government.

Recommendations

The Tabakoto operation has reached a steady state after the mill expansion project, establishment of Ségala underground and Kofi open pit infrastructure. Semico is expected to continue to manage costs through continuous improvement in the underground and open pit mines. Ongoing aggressive exploration programs are required to continue to test potential extensions to existing resources, to develop new resources on the property, and to convert known resources to mineral reserves.

Significant exploration potential remains untested within the Tabakoto property both on surface and underground at Tabakoto, Ségala and Kofi Nord. Significant resource upside potential is likely to be achieved with resultant extensions to LOM. Additionally, resource conversion and project evaluation of the other Kofi Nord satellites needs to be pursued.

Youga Gold Mine, Burkina Faso, West Africa

The following technical disclosure relating to Youga is derived principally from the summary from the "Technical Report, Mineral Resource and Mineral Reserve Update for the Youga Gold Mine, Burkina Faso, West Africa" dated effective December 31, 2014 (the "**Youga Report**"), prepared by K. Kirk Woodman, Kevin Harris and Adrian de Freitas of Endeavour. The Ouaré project ("**Ouaré**") is considered to be a satellite deposit to the Youga Mine and therefore is reported as part of this technical report. The disclosure below is updated and revised to reflect more recent information, and has been reviewed and approved by the authors of the Youga Report, both of whom are qualified persons under NI 43-101. Readers should consult the Youga Report to obtain further particulars regarding Youga. The Youga Report is incorporated by reference herein and is available for review electronically on SEDAR at www.sedar.com under the Corporation's profile.

Location

Youga and Ouaré are located in southern Burkina Faso approximately 180km south of Ouagadougou, the capital city, near the border with Ghana. The permits which comprise the two project areas are centred on 11º 10' north latitude and 00º 18' west longitude. Endeavour operates the producing Youga gold mine and mill, approximately 40km southwest of Ouaré.

Ownership

The Youga Exploitation Permit, which currently covers an area of 29km^2, was granted to Burkina Mining Company S.A. ("**BMC**") in April 2003. Etruscan Resources Incorporated ("**Etruscan**") acquired 90% of BMC through a wholly owned Cayman Islands subsidiary in 2003. In 2010 Endeavour completed the acquisition of a 100% interest in Etruscan. The remaining 10% interest in BMC is held by the government of Burkina Faso.

The Ouaré deposits are located within the Bitou 2 Exploration Permit held by Etruscan Resources Burkina Faso S.A. which is held 100% by Endeavour. This permit is in its final renewal period and will expire on November 21, 2015. Endeavour is in the process of applying for an exceptional renewal and anticipates it will be granted.

Geology

Endeavour's permits are underlain by rocks of the Archean-Proterozoic Man Shield which forms the southern half of the larger West African Craton. The permits cover the northeast extension of the Youga greenstone belt (known as the Bole-Navrongo belt in Ghana) that trends from Bole, in western Ghana, to the village of Bittou, in southern Burkina Faso, for a distance of some 400km. The greenstone belt is composed of weakly to moderately metamorphosed, lower Birimian mafic-volcanic flows, syn- to post- Birimian intermediate to felsic intrusions and subordinate Tarkwaian sediments comprised of arkosic sandstones. The belt is bounded by older Liberian basement rocks comprised of high-grade metamorphic assemblages and related intrusives. Younger, northwest-trending gabbro dykes cross-cut all lithologies.

The Youga greenstone belt is bounded to the north by the Bole-Navrongo shear zone which consists of a northeast-southwest trending deformation corridor that can be traced for more than 100km. The rocks have been overprinted by amphibolite grade metamorphism, possibly related to contact metamorphism. The metamorphic minerals are typically aligned along a pervasive foliation fabric. A weak retrograde alteration (calcite+/-chlorite-muscovite) overprints most of the rocks.

The Youga and Ouaré gold deposits can be described as epigenetic, mesothermal gold deposits, demonstrating a strong structural control with a brittle structural style. Gold mineralization is intimately associated with pervasive silicification, quartz veining and sulphidation (predominantly pyrite), although sulphide content is low to moderate (generally 1% -5%).

Exploration

Geochemical data, used in conjunction with the available geophysical surveys and geological mapping, has been effective in the delineation of significant gold mineralization targets within the project areas. This methodology continues to provide drill targets, however, given the deposits are clearly structurally controlled, a better understanding of these controls may lead to the discovery of additional "blind" deposits.

The permits have been completely covered with soil geochemistry and by detailed aeromagnetic and radiometric surveys. A gradient induced polarization/resistivity and ground magnetics survey has also been completed over an area covering the Youga and Ouaré deposits. Historical and recent exploration has been carried out under the supervision of technically qualified personnel applying standard industry approaches and procedures.

Data

Drilling on the permits can be broadly separated into two campaigns: Ashanti/Echo Bay and Endeavour/Etruscan. Youga has in excess of 64,000m of diamond and 76,000m of reverse-circulation drilling while Ouaré has nearly of 7,000m of diamond and 48,000m of RC drilling.

The reliability of the gold assay results was based on a well designed and implemented quality assurance and quality control protocol that entail the analysis of blind blanks, field duplicates and certified reference materials. In addition, samples were submitted to umpire laboratories. The laboratories returned very good results for the certified reference materials, field duplicates and blanks.

The authors believe the current quality systems in place at Youga and Ouaré, to monitor the precision and accuracy of the sampling and assaying, are adequate and that the laboratory returned acceptable results for use in resource estimation.

Mineral Resources

Youga is an operating mine that has produced 537,621oz of gold since 2008. The mineral resource models supporting the current mineral reserves estimates for Youga were updated in 2014 by Endeavour personnel. Since 2006 four new resource areas, NTV, Zergoré, A2NE and LeDuc were the focus of drill programs and internal resource estimates.

Samples were composited to standard two-metre lengths, starting from the top of each hole. Statistical analysis was employed to define high-grade outlier gold assays, and all composites inside the grade shells were capped based on statistical analysis.

Gold grade interpolation has been completed using a combination of OK and ID methods.

The mineral resource estimate was prepared by conventional block modeling techniques, using 141,020m of assayed intervals from 1,361 drill-holes that were within the modeled areas. Grade shells were defined using a threshold assay of 0.50g/t Au as the lower limit for inclusion within the grade shell. Individual blocks within the block model were sized to approximate the size of the selective mining unit.

The most recent resource estimation for the Youga deposits was completed by Endeavour, under the supervision of Mr. Harris, effective December 31, 2014. The resource interpolation for Ouaré was completed by AMEC International, under the supervision of Mr. Woodman, effective August 6, 2012, however, no additional drilling has been completed since this estimation and it remains current. A summary of the interpolated resources at 0.5 g/t cut-off is provided in Table 1.

Table 1: Mineral Resources (including Reserves) as of December 31, 2014

Deposit	Resources (including reserves)											
	Measured			Indicated			Measured & Indicated			Inferred		
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)
A2 Main	432.4	2.36	32.8	513.3	2.24	37.0	945.7	2.29	69.8	81.5	2.23	5.8
A2 East	223.0	1.87	13.4	108.6	1.52	5.3	331.6	1.76	18.7	3.8	1.08	0.1
A2W Z1	24.0	2.08	2.0	25.0	1.45	1.0	49.0	1.90	3.0	6.0	2.00	0.4
A2W Z2	186.4	1.93	11.6	411.0	2.07	27.4	597.4	2.03	38.9	19.5	1.83	1.1
A2WZ3	133.6	2.45	10.5	87.9	3.31	9.4	221.5	2.79	19.9	44.0	2.53	3.6
Zergoré	1,700.3	1.63	89.3	1,480.8	1.43	67.9	3,181.1	1.54	157.2	969.7	1.60	49.9
NTV	1,605.1	1.13	58.3	596.0	1.20	23.0	2,201.1	1.15	81.3	219.4	1.26	8.9
A2NE	23.4	2.78	2.1	1,105.8	1.54	54.7	1,129.2	1.57	56.8	636.0	1.64	33.5
LeDuc	-	-	-	-	-	-	-	-	-	221.7	1.56	11.1
Ouaré	1,071.6	1.14	39.4	5,368.2	1.55	268.2	6,439.8	1.49	307.7	571.3	1.49	27.4
Stockpile	1,919.3	0.94	58.2	-	-	-	-	-	-	-	-	-
Total	**7,319.4**	**1.35**	**317.2**	**9,696.4**	**1.58**	**493.7**	**17,015.8**	**1.48**	**811.9**	**2,772.5**	**1.59**	**141.5**

The interpolation and classification of the resources are in accordance with the criteria set out in NI 43-101 and CIM Definition Standards.

Mineral Reserves

Youga 2014 year end mineral reserve estimates stated in this report are based on the mineral resources reported above and updated by Endeavour personnel under the supervision of Mr. de Freitas.

The key modifying parameters upon which the 2014 year end mineral reserve estimates were made are summarized in Table 2.

Table 2: 2014 Reserve Key Modifying Parameters

Applied Modifying Parameters	End of 2014
New optimization	Yes
Gold Price ($/oz)	1,250
Royalty	4%
Process cost ($/t milled)	24.3
Process recovery	92%
Mining cost	PW new contract(May 2014)
Mining Dilution	7%
Mining recovery factor	97%
Pit slopes	Feasibility
G&A cost ($/t milled)	9.6
Other processing cost ($/t milled)	3.5
Average COG applied across all pits (g/t)	1.1

Based on the updated Measured and Indicated mineral resources for the various mineral deposits at Youga, the Proven and Probable mineral reserves for the open pit operations, using a gold price of $1,250/oz, as of December 31, 2014 are estimated to be 3.51 million tonnes at a grade of 1.79g/t containing 202,000oz of gold. This includes 0.78 million tonnes of ROM pad ore stockpile at a grade of 1.35g/t Au containing 34,000oz of gold (Table 3).

Table 3: Mineral Reserves as of December 31, 2014

Deposit	Mineral Reserves									Gold Price $/oz
	Proven			Probable			Total			
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	
A2 Main	92	2.50	7.4				92	2.50	7.4	
A2 West 3	4	3.15	0.4	6	2.65	0.6	10	2.83	1	
A2 West 2	209	2.27	15.2	220	2.20	15.6	430	2.23	30.8	
Zergoré	808	2.07	53.8	277	1.95	17.4	1,085	2.04	71.2	1,250
A2NE	13	3.81	1.6	281	2.39	21.6	294	2.45	23.2	
NTV	641	1.27	26.5	180	1.37	7.9	821	1.30	34.4	
Total Pits	1,767	1.85	104.9	966	2.03	63.0	2,733	1.91	167.9	
Stockpiles	777	1.35	33.6	-		-	777	1.35	33.6	
Youga Total	**2,544**	**1.69**	**139**	**966**	**2.03**	**63.0**	**3,510**	**1.79**	**202**	

There are currently no reserves defined on Ouaré.

This reserve estimate has been determined and reported in accordance with NI 43-101 and CIM Definition Standards.

Mining

Youga commenced operations in 2008 with open pit mining and gravity/CIL processing facilities and during the period to end of 2014 a total of 537,621oz of gold had been recovered from the mining and processing of 6.38 million tonnes of ore from the A2Main, A2East, A2West1, 2 and 3 pits. During 2014 operations at Youga mined a total of 5.0 million tonnes of material and delivered 1.16 million tonnes of ore at an average grade of 2.47g/t Au containing 92,200oz to the ROM pad.

Youga involves a conventional open pit, selective mining exploitation method and employs a mining contractor - PW Mining International Ltd.

Metallurgy and Process Plant

The Youga processing plant uses the conventional gravity/CIL gold recovery process, and consists of a three-stage crushing operation, ball milling, gravity concentration and cyanidation by CIL. Pressure Zadra elution is utilized for recovery of gold from loaded carbon; it is designed to process 1mtpa of gold ore.

Youga has a dedicated Safety, Occupational Health and Environment department which operate under the guidance of a set of principles which define the regulatory and corporate governance commitments of Youga in respect of the manner in which it conducts its business.

Production and All-In Sustaining Costs

In 2014 Youga produced 76,560oz at an AISC of $824/oz. The 2015 production is estimated to be 60,000 to 65,000oz at an AISC estimated in the range of $975 to $1,025/oz produced and includes all mining, treatment, general and administrative costs, sustaining capital and royalties, which are incurred at the mine site. The AISC costs exclude depreciation, amortization and corporate general and administrative costs.

Conclusions

Operations to date have confirmed the mineral resources and mineral reserves as previously stated for Youga. The results of this update to the mineral resource and mineral reserve evaluation confirm the continued economic viability of exploiting Youga.

Based on current reserves and mine planning, the Youga LOM production schedule extends from 2014 through to 2018, with a total of 3.5 million tonnes of ore at 1.79g/t containing 202,000oz of gold being mined and delivered to the ROM pad for processing during this period.

The risks to the Youga LOM plan and operations are currently considered to be low, with outcomes being sensitive to negative commercial trends that might develop in respect of the gold price and the impact of inflationary effects on power, fuels, labour and spare components because of the global economic situation.

Opportunities exist to increase the current resources and reserves for the Youga project include:

- Developing the Ouaré deposits and trucking to the Youga plant;
- Infill drilling of the Inferred resources identified at the LeDuc deposit; and
- Exploration drilling on a number of targets within the Youga exploitation permit, such as the western extension of A2NE and the Gassore trend.

Recommendations

In 2015 the key objectives for Youga are:

- Operate on a Zero Harm safety and environmental tolerance basis;
- Develop the skills base of Youga's employees;
- Continue to improve productivities and reduce operating costs;
- Exceed LOM budget expectations year on year;
- Extend the life and increase the asset value of the Youga mine and the company's other mineral assets through a process of development and re-engineering and the addition of additional ore reserves from exploration of its land holdings; and
- Achieve the above objectives in a socially responsible manner.

Reserves on the Youga Exploitation Permit are coming to an end and, for operations to continue, additional reserves would need to be developed from the current Youga and Ouaré resources.

Houndé Gold Project, Mali, West Africa

The following technical disclosure relating to Houndé is derived principally from the summary from the "Houndé Gold Project, Burkina Faso, Feasibility Study NI 43-101 Technical Report", dated effective October 31, 2013 (the "**Houndé Report**") prepared by Michael Warren of Lycopodium Minerals Pty Ltd ("**Lycopodium**"), Mark Zammit of Cube Consulting Pty Ltd, Ross Malcolm Cheyne of ORELOGY Group Pty Ltd ("**Orelogy**"), David Morgan of Knight Piésold Pty Ltd, and Peter O'Bryan of Peter O'Bryan & Associates. Readers should consult the Houndé Report to obtain further particulars regarding Houndé. The disclosure below reflects updated and revised information (as disclosed in a press release dated February 19, 2015), and has been reviewed and approved by Mark Zammit of Cube Consulting Pty Ltd, Kevin Harris of Endeavour, Ross Malcolm Cheyne of Orelogy and Michael Alyoshin of Endeavour. The Houndé Report is incorporated by reference herein and is available for review electronically on SEDAR at www.sedar.com under the Corporation's profile along with the press release dated February 19, 2015.

Summary

The Houndé feasibility study ("**FS**") focuses on the Vindaloo group of deposits that are located approximately 250km southwest of Ouagadougou, the capital city of Burkina Faso. The deposits are approximately 2.7km from a paved highway and as close as 200m from a 225 kV power line that extends from Cote d'Ivoire through to Ouagadougou. The nearby town of Houndé has a population of approximately 22,000. A rail line that extends to the port of Abidjan, Cote d'Ivoire lies approximately 25km west of the deposit area.

Lycopodium was the FS lead consultant with a focus on study coordination, metallurgy, infrastructure design and process plant design. Cube Consulting completed an updated mineral resource estimate. Knight Piésold Pty. Ltd. carried out pit and site geotechnical reviews, completed a water balance study and designed the tailings storage facility, water harvest dam and the water storage dam along with mine site drainage control elements. Orelogy completed the mine plan and mineral reserve estimate.

Mine environmental and social studies were completed under the lead of Genivar Inc. with Société de Conseil et de Réalisation pour la Gestion de l'Environnement ("**SOCREGE**")and Institut de Gestion des Risques Miniers et du Développement ("**INGRID**") collecting social and environmental data, respectively. INGRID also completed an additional environmental and social study on the project's water supply. Knight Piésold provided high level oversight over all of these studies.

Ownership

Endeavour Mining Corporation, through its 100% owned subsidiary Avion Gold (Burkina Faso) SARL, has a 100% interest in the approximately 1,000km^2 Houndé project, situated in the south-western region of Burkina Faso. Ownership upon incorporation of a mining company will be held 90% by Endeavour and 10% by the government of Burkina Faso.

History

Mineral exploration in the Houndé area began in 1939 by the Bureau de Recherches Géologiques et Minières and Bureau des Mines et de la Géologie du Burkina Faso and continued by various companies until 1982. Exploration resumed in the 1990's by a number of companies that conducted regional geochemical surveys, which were then followed up by more detailed geochemistry, prospecting, mapping and RAB to RC drilling. Several gold targets were identified during this work.

Endeavour initiated an in-fill drill program, which consisted of 358 holes (40,534m), over the Vindaloo and Madras NW zones in late October 2012, with the goal to upgrade the current mineral resources. Including this most recent drill program, 751 core and RC holes (103,677m) along the trend of the Vindaloo and Madras NW zones have been completed by Endeavour (or predecessor companies). All of this data has been incorporated into section sets, interpreted and used as the basis for the FS and used in the current mineral resource estimate.

Geology

The Vindaloo zones are hosted by Proterozoic-age, Birimian Group, intensely sericite- and silica-altered mafic intrusions, similarly-altered, strongly foliated and altered intermediate to mafic volcaniclastics and occasionally sediments. The mineralization is often quartz stockwork-style and is weakly to moderately pyritic. The Vindaloo trend has been drill tested for a distance of approximately 7.7km along strike and up to 350m depth. The intrusion-hosted zones range up to 70m in true thickness and average close to 20m true thickness along a 1.2km section of the zone called Vindaloo Main. Volcanic and sediment-hosted zones are generally less than 5m wide. The entire mineralized package strikes north-northeast and dips steeply to the west to vertical. The mineralization remains open both along strike and to depth.

Exploration

Sterilization drilling led to the recognition of several parallel zones of gold enrichment, one of which, the Koho East zone, returned a drill intercept of 1.22 g/t Au over 21.0m. Several of these zones have added resources to the project.

During fourth quarter of 2012 and first quarter of 2013, Endeavour completed 40,534m of drilling in 358 holes with a specific goal of upgrading the Inferred in-pit mineral resources to Indicated mineral resources and Indicated mineral resources to Measured mineral resources.

Subsequent to the completion of the FS an extensive drill program was undertaken between

June and November 2014. The program included 57,978m of drilling, comprised of 110 diamond holes (22,780m) and 358 reverse-circulation holes (35,198m) completed. The drill program successfully completed a number of objectives, including:

- testing the extents of the Vindaloo Main mineralization at depth and on strike;
- converting Inferred mineral resources to Indicated category along the Vindaloo trend;
- testing mineralization at Bouéré, located 12km west of the Houndé process plant site; and
- testing mineralization at Dohoun, located approximately 14km northwest of the Houndé process plant site.

Data

Endeavour's drilling in conjunction with previous drilling now comprises a drill database of 1,219 core and RC holes totaling 161,655m that supported the creation of an updated, in-pit mineral resources statement.

Overall, the sample control data has performed well and indicates the sample assay data to be of a high standard and appropriate for the reporting of exploration results and use in mineral resource estimation.

Mineral Resources

The updated mineral resource estimate for the Vindaloo deposits was completed by Cube in January 2015. This estimate represents an update of the mineral resources previously reported in the October 2013 FS. Mineral resource estimates for the Bouéré and Dohoun deposits were prepared by K. Harris (Endeavour). All estimation work was carried out using SURPAC mining software and Isatis geostatistical software.

The mineral resources are reported inside optimized pit shells. The results from the optimized pit shells are used solely for the purpose of reporting mineral resources that have reasonable prospects for economic extraction.

Table 1: Mineral Resources (including Reserves) as of December 31, 2014

Deposit	Mineral Resources (including reserves)											
	Measured			Indicated			Measured & Indicated			Inferred		
	T (000's	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)
Vindaloo[1]	3,690	2.57	305	31,830	1.92	1,966	35,520	1.99	2,270	2,980	2.57	247
Bouéré[2]	-	-	-	1,090	5.37	189	1,090	5.37	189	180	3.43	20
Dohoun[2]	-	-	-	1,150	2.35	87	1,150	2.35	87	70	2.91	6
Houndé - Total	**3,690**	**2.57**	**305**	**34,070**	**2.05**	**2,242**	**37,760**	**2.10**	**2,546**	**3,230**	**2.63**	**273**
Attributable - 90%			274			2,017			2,291			246

[1] Prepared by M. Zammit, MAIG (Cube Consulting) reported above 0.5 g/t cut-off and inside an optimized pit shell using $1,500 per ounce gold price; - includes Vindaloo, Madras and Koho mineral resources

[2] Prepared by K. Harris CPG (Endeavour) reported above 0.5 g/t cut-off and inside an optimized pit shell using $1,500 per ounce gold price

Mineral Reserves

Table 2: Mineral Reserves as of December 31, 2014

Deposit	Reserves									Gold Price
	Proven			Probable			Proven & Probable			
	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	t (000's)	Au g/t	oz (000's)	$/oz
Vindaloo[1]	3,700	2.5	295	24,600	1.9	1,527	28,300	2.0	1,820	1,300
Dohoun[2]	-	-	-	1,214	1.9	72	1,214	1.9	72	
Bouéré[2]	-	-	-	1,087	5.2	181	1,087	5.2	181	
Houndé - Total	3,700	2.5	295	26,901	2.1	1,780	30,601	2.1	2,073	
Attributable - 90%			266			1,602			1,866	

[1]Prepared by R.M. Cheyne FAusIMM (ORELOGY)
[2]Prepared by M. Alyoshin MAusIMM CP Min (Endeavour)

Mining

Endeavour has prepared a production profile based on the updated mineral reserves and rescheduled mine plan prepared by Orelogy (see Table 3). The updated mine plan defines a large-scale open pit mine that delivers 1.9 million ounces of recovered gold and the processing plant consists of a 3.0 million tonne per year primary crusher with SABC milling circuit to feed a gravity / CIL plant. The enhanced production relative to the November 2013 FS is a result of the exploration additions from 2014 and an optimization of the mine plan to access high grade and shallow gold mineralization during the initial years of the mine life.

Table 3: LOM Production Profile[1]

	Year	1	2	3	4	5	6	7	8	9	10	Total
Mining												
Ore mined	kt	3,537	2,875	2,853	5,133	3,079	3,018	1,501	7,727	0	0	29,723
Waste mined	kt	27,101	29,125	29,147	17,813	38,618	38,893	37,774	32,432	0	0	250,903
Total mined	kt	30,638	32,000	32,000	22,946	41,697	41,911	39,275	40,159	0	0	280,626
Strip ratio	ratio	7.7	10.1	10.2	3.5	12.5	12.9	25.2	4.2	0.0	0.0	8.4
Processing[1]												
Ore processed	kt	3,000	2,997	3,000	3,000	3,000	3,000	3,000	2,979	3,000	2,748	29,723
Feed grade	g/t	2.92	2.68	2.59	2.44	1.92	2.46	1.39	2.41	1.36	1.29	2.15
Contained gold	k ozs	281.9	257.9	249.6	235.3	185.2	236.9	133.9	230.7	131.1	114.2	2,057
Recovery	%	93.9%	89.7%	89.2%	92.8%	94.8%	93.9%	91.7%	93.9%	94.7%	94.2%	92.7%
Recovered gold	**k ozs**	**264.7**	**231.4**	**222.6**	**218.5**	**175.5**	**222.4**	**122.7**	**216.6**	**124.1**	**107.5**	**1,906.1**
LOM Production Schedule (November 2013 Feasibility Study)												
Recovered gold	k ozs	191.3	215.3	189.9	168.4	211.1	167.8	136.9	152.9	11.9		1,445.5
Change vs. 2013 FS	k ozs	73.4	16.1	32.7	50.1	-35.6	54.6	-14.2	63.7	112.2	107.5	460.6

[1]LOM processing schedule is based on dynamic cut-off grade optimization generating highest NPV

Metallurgy and Process Plant

Within the 2013 FS, metallurgical samples from the Vindaloo and Madras NW zones indicated average assumed mill recoveries of 93.37%. Recoveries of 93.5%, for the Vindaloo Main zone fresh mineralization, were achieved by fine grinding of gravity concentrates to 80% passing 10 micron from an initial grind of 80% passing 90 micron. More than 70% of the gold is contained in the gravity concentrates.

A water balance study indicated that a water harvest dam and separate water storage dam having combined storage of just over three million cubic metres would easily fill in one wet season and would contain sufficient water for plant operations demand during a 1:100 year dry season. Camp water would be sourced from nearby wells.

The processing plant consists of a 3.0 million tonne per year CIL plant with SABC milling circuit to produce an 80% passing 90 micron grind size. Ground fresh ore will feed continuous centrifugal gravity concentrators to recover free and occluded gold in heavy particles (pyrite) to a low mass gravity concentrate. This concentrate will be reground to 80% passing 10 micron grind size to feed a concentrate leach circuit. Gravity concentration tails will be thickened and feed a standard CIL circuit, with leach tails passing into a cyanide destruction process before being pumped to storage. Average production of 191,000oz/year over a period of 10 years is anticipated with an average of 210,000oz over the first eight years.

Infrastructure

The tailings storage facility is located 4km west of the plant in a natural valley. Studies indicate that the tailings storage does not need to be lined, however a lined dam now forms part of the project methodology and capital estimate. This was adjusted to comply with a request from the Burkina Faso authorities. Decant fluids, though, are not suitable for release to the environment and will be pumped back to the plant. An impact assessment, including a dam break scenario, indicates a high consequence in the event of a wall failure and the tailings embankments were designed to reduce this risk. Closure will require covering the surface with 0.5m of broken rock.

Power for the processing plant will come from the adjacent 225 kV power line that extends from Cote d'Ivoire to Ouagadougou. Sonabel, the state power entity, have agreed, in principle, to sell power to the project; however, the terms and conditions of this sale have not been finalized.

Project staff will include approximately 470 people, not including catering and cleaning staff and miscellaneous contractors with 41 international and African expats and 430 Burkinabe employees. A camp to house 130 senior staff will be installed with the remaining employees living in the nearby communities.

Environmental and Social

An environmental and social impact and mitigation study, with a goal to be IFC compliant, was completed. The study outlines Endeavour's responsibilities to the well-being of the people and the environment during the development, operation and closure of Houndé. The project will require the acquisition of 2,096 ha of land. Several major land owners own the bulk of the land, however, numerous subsistence farmers rent portions of the land from the land owners. Compensation mechanisms for the land, buildings, trees and crops are part of the ongoing permitting process. Typical concerns, as a result of the project development include changes to quality of life, loss of livelihood, environmental degradation, potential for jobs, potential health issues, increase in traffic etc.

Houndé Capital Cost Estimate

Endeavour engaged Lycopodium to complete a detailed review and assessment of the total estimated cost to bring Houndé into production. The updated capital cost is $325 million (inclusive of contingency, working capital, and import duties), representing a 3.2% increase over the $315 million estimate in the November 2013 Feasibility Study. Endeavour's Construction Services team has completed a mine construction plan.

The key parameters of Houndé which are included in the updated economic summary for the FS and the 2014 updates are summarized in Table 4 along with a summary of the key economic indicators.

Table 4: Key Parameters of Houndé and Updated Economic Summary

Parameter	Units	Feasibility Study (Nov 2013) – Base Case	Updated with 2014 Exploration Additions	Change
Mill throughput	Mtpa	3.0	3.0	
Total ore processed	Mt	24.6	29.7	
Gold grade	g/t	1.95	2.15	
Contained gold	000oz	1,548.7	2,056.6	
Recovery (average)	%	93.3%	92.7%	
Recovered gold	000oz	1,445.5	1,906.1	+460.6 (+32%)
Upfront capital cost	$M	$315	$325	+10 (+3.2%)
Royalty rates, operating unit costs for mining ($/t mined) & processing ($/t milled), site G&A costs, sustaining capital and corporate tax parameters unchanged from the Feasibility Study				
NPV (5%, after tax) - $1,300	**$M**	**$230**	**$415**	**$185 or 80% increase**
IRR (after tax) - $1,300	**%**	**22.4%**	**34.7%**	
AISC/ounce	**$/oz**	**$775**	**$717**	**$58/oz cost savings due to increase in grade**
Gold price sensitivity - at $1,250/oz				
NPV (5%, after tax) - $1,250	**$M**	**n/a**	**$359**	
IRR (after tax) - $1,250	**%**	**n/a**	**31.4%**	
AISC/ounce	**$/oz**	**n/a**	**$714**	
Gold price sensitivity - at $1,200/oz				
NPV (5%, after tax) - $1,200	**$M**	**n/a**	**$302**	
IRR (after tax) - $1,200	**%**	**n/a**	**27.9%**	
AISC/ounce	**$/oz**	**n/a**	**$711**	

Conclusions and Recommendations

Independent studies of the mineral resources, metallurgy, mine plan, processing plant, capital costs, construction costs, environmental and social impact and relocation expenses have been carried out for Houndé.

Other Properties

The following early-stage exploration properties are not deemed material to Endeavour at this time.

Côte d'Ivoire

In addition to the Agbaou mining permit, the Corporation has been granted five exploration permits covering a total of 1,626km^2. Three permits are in the process of being renewed for a total of 1,125km^2 and two have been granted for a total of 501km^2. The exploration permits are at varying stages of early exploration and preliminary work has confirmed the gold potential of each.

Burkina Faso

Endeavour holds six exploration permits contiguous to the Houndé mining permit for a total of 986km^2. The Houndé block includes the permits of Kari Nord, Kari Sud, Karba, Bouhaoun, Kopoi, Dossi and Wakui.

The Fakoto, Kelesso, Diosso and Mandiasso properties, located south of the Houndé mining permit, were subject to an option agreement with Savary Gold Corp. ("**Savary**") who exercised the option during 2014. The permits are in the process of being transferred to Savary and comprise a total of 623km^2.

Near Youga, Endeavour holds six exploration permits on the Youga belt which comprise 367km^2. The Corporation also holds two contiguous permits (Boulounga and Minima), covering 289km^2 in the Centre-Nord region of central Burkina Faso.

Mali

The Corporation holds seven exploration permits in the western region of Mali. The exploration permits are consolidated around the Kofi Nord mining permit and cover a total of 306km^2.

Ghana

In addition to the properties that comprise Nzema, Endeavour has property interests in the western region of Ghana with exploration targets that surround certain of the Nzema deposits. The Hotopo and Edum Banso properties, covering 163km^2, were transferred to Ghana Manganese.

RISK FACTORS

Endeavour has identified the following risks relevant to its business and operations. These risks and uncertainties could materially affect Endeavour's future operating results, financial performance and the value of Endeavour Shares, and are generally beyond the control of Endeavour. The following risk factors are not all-inclusive, and it is possible that other factors will affect the Corporation in the future.

Endeavour's future revenues are highly dependent on and sensitive to the price of gold.

Endeavour's business operations may be significantly affected by changes in the market price of gold. The price of gold has historically fluctuated widely, and is affected by numerous factors beyond the Corporation's control, including without limitation, sales and purchases of gold, forward sales of gold by producers and speculators, expectations with respect to the rate of inflation, world supply of gold, stability of exchange rates (the strength of the U.S. dollar and other currencies), global and regional political and economic conditions or events, industrial and retail demand, sales by central banks and other holders, interest rates, production, and cost levels in major gold-producing regions such as South Africa and China, and speculator and producer responses to any of the foregoing factors.

Gold is sold in U.S. dollars and although the majority of the costs of Endeavour's gold operations are in U.S. dollars, certain costs are incurred in other currencies. Fluctuations in these currencies against the U.S. dollar could have a material effect on the Corporation's financial results, which are denominated and reported in U.S. dollars. Serious price declines in the market value of gold could render the Corporation's projects uneconomic. There is no assurance that, even as commercial quantities of gold and other precious metals are produced, a profitable market will exist for them.

Declining commodity prices can also impact operations by requiring a reassessment of the feasibility of a particular project or the incurring of an impairment charge in the Corporation's accounts. Such a reassessment or impairment may be the result of a management decision, review by auditors or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed. If revenue from gold doré sales decline, Endeavour may have insufficient cash flow from mining operations to meet its operating needs. Any of these factors could have a material adverse effect on the Corporation's business, results of operations, and financial condition.

There can be no assurance that the market price of gold will remain at current levels or that such price will improve. A decrease in the market price of gold could adversely affect the profitability of the Corporation's existing mines and projects as well as the Corporation's ability to finance the exploration and development of additional properties.

Endeavour's mining and exploration activities and future mining operations are, and will be, subject to operational risks and hazards inherent in the mining industry.

Endeavour currently has four operating mines, Agbaou in Côte d'Ivoire, Nzema in Ghana, Tabakoto in Mali and Youga in Burkina Faso. No assurance can be given that the intended or expected production estimates will be achieved by such mines or in respect of any future mining operations in which Endeavour owns or may acquire interests. Failure to meet such production estimates could have a material effect on the Corporation's future cash flows, financial performance and financial position. Production estimates are dependent on, among other things, the accuracy of mineral reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions and physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics and the accuracy of estimated rates and costs of mining and processing. Actual production may vary from its estimates for a variety of reasons, including:

- actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics;
- short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades from those planned;
- mine failures, slope and underground rock failures or equipment failures;
- industrial accidents;
- natural phenomena such as inclement weather conditions, floods, droughts, rock slides and earthquakes;
- encountering unusual or unexpected geological conditions;
- changes in power costs and potential power shortages;
- shortages of principal supplies needed for operation, including explosives, fuels, chemical reagents, water, equipment parts and lubricants;
- labour shortages or strikes;
- military action, acts of terrorism, civil disobedience and protests; and
- restrictions or regulations imposed by government agencies or other changes in the regulatory environments.

Such occurrences could result in damage to mineral properties, interruptions in production, injury or death to persons, damage to property, monetary losses and legal liabilities. These factors may cause a mineral deposit that has been mined profitably in the past to become unprofitable, forcing production to cease. Each of these factors also applies to sites not yet in production and to operations that are to be expanded. It is not unusual in new mining operations to experience unexpected problems during the start-up phases. Depending on the price of gold or other minerals, it may be determined to be impractical to commence or, if commenced, to continue commercial production at a particular site.

Endeavour may not undertake acquisitions or other corporate transactions successfully, which could adversely affect our financial condition and future performance.

Endeavour evaluates opportunities to acquire, divest and/or consolidate gold producing assets and similar businesses on an on-going basis and has a history of making and integrating acquisitions. Any resultant transactions may be significant in size, may change the scale of the Corporation's business and may expose the Corporation to new geographic, political, operating, financial and geological risks. Such transactions may be accompanied by risks applicable to the exploration and development of resource properties and conduct of mining operations generally, to the difficulties of assimilating the operations and personnel of any acquired companies, and to the risk of unknown liabilities associated with acquired assets and businesses. Acquisition transactions involve other inherent risks, including:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities, and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from existing business;
- potential loss of key employees or the key employees of any business acquired;
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of acquired properties, companies or securities.

Any one or more of these factors or other risks could cause the Corporation not to realize the benefits anticipated to result from the acquisition of properties or companies, and could have a material adverse effect on its business, financial condition and results of operations.

The Corporation may use available cash, incur debt, and issue equity shares or other securities, or a combination of any one or more of these in order to make future acquisitions. This could limit its flexibility to raise capital, to operate, explore and develop properties and to make additional acquisitions and meet current and future obligations. When evaluating an acquisition opportunity, Endeavour cannot be certain that it will have correctly identified and managed risks and costs inherent in the business being acquired.

Endeavour cannot give any assurance that it will successfully identify and complete an acquisition transaction and, if completed, that the business acquired will be successfully integrated into its operations.

The Corporation's success in acquisition, divestment and consolidation activities depends on its ability to identify suitable opportunities, implement such activities on acceptable terms and have the operations of any acquired companies successfully integrated with those of its business. There can be no assurance that the Corporation will be successful in overcoming these risks or any other problems encountered in connection with any future acquisitions, divestments or consolidations.

Endeavour is subject to risks associated with operating in West Africa.

The majority of Endeavour's assets are located in West Africa. While Endeavour believes that the governments of the countries that the Corporation holds assets in support the development of their natural resources by foreign companies, it is possible that future political and economic conditions of these countries will result in their governments adopting different policies respecting foreign ownership of mineral resources, taxation, rates of exchange, environmental protection, labour relations, repatriation of income or return of capital, restrictions on production, price controls, export controls, local beneficiation of gold production, expropriation of property, foreign investment, maintenance of claims and mine safety. The possibility that a future government in any of these countries may adopt substantially different policies, which might include the expropriation of assets, cannot be ruled out.

Other risks and uncertainties to which the Corporation is exposed by reason of operating in West Africa include, but are not limited to, terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licences, permits, contracts and fiscal stability arrangements; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; loss due to disease and other potential endemic health issues; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Although Endeavour is not currently experiencing any significant or extraordinary problems in foreign countries arising from such risks, there can be no assurance that such problems will not arise in the future.

Government regulation may have an adverse effect on Endeavour's exploration, development and mining operations.

The business of mineral exploration, development, mining and processing is subject to various national and local laws and plans relating to permitting and maintenance of title, environmental consents, taxation, employee relations, health and safety, royalties, land acquisitions, land use, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Although Endeavour believes that it currently complies with all material rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. New laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations, whether in response to changes in the political or social environment in which the companies operate or otherwise, could have a material adverse effect on the Corporation's business.

Any failure to comply with applicable laws and regulations or approvals, licenses or permits, even if inadvertent, may result in interruption or closure of exploration, development or mining operations or enforcement actions or corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Endeavour may also be required to compensate any parties suffering loss or damage by reason of our mining activities and may have civil or criminal fines or penalties imposed against the Corporation for violations of applicable laws or regulations.

Gold exploration and the development of mines and related facilities is contingent upon governmental approvals, licenses and permits which are complex and time consuming to obtain and which, depending on the location of the project, involve multiple governmental agencies. The receipt, duration, amendment or renewal of such approvals, licenses and permits are subject to many variables outside our control, including potential legal challenges from various stakeholders such as environmental groups, nongovernmental organizations, community groups or other claimants. The costs and delays associated with obtaining necessary approvals, licenses and permits and complying with these approvals, licenses and permits and applicable laws and regulations could stop or materially delay or restrict Endeavour from proceeding with the development of an exploration project or the operation or further development of an existing mine.

Fluctuations in foreign currency exchange rates could affect Endeavour's operating results and liquidity.

The price of gold is denominated in United States dollars. Endeavour's results are also reported in US dollars; however, parts of the Corporation's business are conducted by its subsidiaries in Australia, Barbados, Burkina Faso, Canada, Cayman Islands, Côte d'Ivoire, Ghana, Jersey, Mali and Monaco and the associated overhead costs are denominated in Australian dollars, Barbadian dollars, Canadian dollars, Euros, UK pounds sterling, Western Africa CFA franc and Ghanaian Cedi. Therefore, changes in currency exchange rates as well as associated transaction costs could adversely affect results in any given period. Any fluctuations in the value of these foreign currencies relative to the US dollar may result in variations in the Corporation's net income. Foreign currencies are affected by a number of factors that are beyond the control of the Corporation. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. To date the Corporation has not entered into hedging or derivative arrangements to manage its foreign exchange risk.

Endeavour's ability to sustain or increase its present levels of gold production is dependent in part on development projects, which are subject to numerous known and unknown risks.

Maintaining or increasing present levels of gold production is dependent on the successful development of new producing mines and/or identification of additional reserves at existing mining operations. Reduced production could have a material and adverse impact on future cash flows, results of operations and financial conditions. Feasibility studies are used to determine the economic viability of a deposit. Many factors and assumptions are involved in the determination of the economic viability of a deposit, including the achievement of satisfactory mineral reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and the estimate of future gold prices. Capital and operating cost estimates are based upon other factors and assumptions, including anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of the gold from the ore and anticipated environmental and regulatory compliance costs.

Any of the following events, among others, could affect the profitability or economic feasibility of a project:

- unanticipated changes in grade and tonnage of ore to be mined and processed;
- unanticipated adverse geotechnical conditions;
- incorrect data on which engineering assumptions are made;
- costs of constructing and operating a mine in a specific environment;

- availability of labour and skilled personnel;
- availability and costs of processing and refining facilities;
- availability of economic sources of power;
- adequacy of water supply;
- availability of surface tenure on which to locate processing and refining facilities;
- adequate access to the site, including competing land uses (such as agriculture and illegal mining);
- unanticipated transportation costs;
- government regulations (including regulations with respect to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands);
- fluctuations in gold prices; and
- accidents, labour actions and force majeure events.

It is not unusual in new mining operations to experience unexpected problems during the start-up phase, and delays can often occur at the start of production. Each of these factors involves uncertainties and as a result, Endeavour cannot give any assurance that its development or exploration projects will become operating mines. If a mine is developed, actual operating results may differ materially from those anticipated in a feasibility study.

Endeavour's business requires substantial capital expenditure, and there can be no assurance that such funding will be available on a timely basis, or at all.

Endeavour may require additional capital if it decides to develop other properties or make additional acquisitions. The Corporation may also encounter significant unanticipated liabilities or expenses. The Corporation's ability to continue its planned exploration and development activities depends in part on its ability to generate free cash flow from its operating mines, each of which is subject to risks and uncertainties. Endeavour may be required to obtain additional financing in the future to fund exploration and development activities or acquisitions of additional projects. There can be no assurance that Endeavour will be able to obtain the necessary financing in a timely manner, on acceptable terms or at all. In addition, any additional debt financings, if available, may involve financial covenants and the granting of further security over the Corporation's assets.

Endeavour's future exploration and development may not result in economically viable mining operations or yield new reserves.

The exploration and development of gold deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. The economics of exploration and development of gold properties are affected by many factors including the cost of operations, fluctuations in the price of gold, costs of processing equipment and other factors such as government regulations. While the discovery of a mineable deposit may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to identify ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Any successful exploration efforts will additionally require significant time as well as capital expenditure to achieve commercial production. It can take a number of years from the initial phases of drilling and identification of the mineralization until production is possible, during which time the economic feasibility of extraction may change and gold that was economically recoverable at the time of discovery ceases to be economically recoverable. There can be no assurances that gold recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale operations, and material changes in geological resources or recovery rates may affect the economic viability of gold projects. As a result, there can be no assurances that the Corporation's exploration or ongoing or future development will result in profitable commercial mining operations.

Endeavour's continued operations depend on adequate infrastructure, which is underdeveloped in certain parts of West Africa, and the uninterrupted flow of materials, supplies, and services.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploitation and/or development of the Corporation's projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploitation and/or development of the Corporation's projects will be commenced or completed on a timely basis, if at all, or that the resulting operations will achieve the anticipated production volume, or that construction costs and ongoing operating costs will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, sabotage or other interference in the maintenance or provision of such infrastructure could adversely affect the Corporation's business, financial condition and results of operations.

Endeavour's mining interests are located in remote locations and depend on an uninterrupted flow of materials, supplies and services to those locations. Any interruptions to the procurement of equipment or the flow of materials, supplies and services to these properties could have an adverse impact on Endeavour's future cash flows, earnings, results of operations and financial condition.

No assurance can be given that Endeavour's current or future mineral production estimates will be achieved.

There are numerous uncertainties inherent in estimating quantities of mineral reserves and mineral resources and in projecting potential future rates of gold production, including many factors beyond the Corporation's control. Mineral reserve and mineral resource estimates are imprecise and depend partially on statistical inference drawn from drilling and other limited data, which may prove to be unreliable. Additionally, estimates, which were valid when made, may change significantly upon new information becoming available. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral reserve and mineral resource estimates. Material changes in mineral reserves and mineral resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. Market price fluctuations for gold, increased production and capital costs, reduced recovery rates, changes in the mine plan or pit design, or other factors may render the Corporation's present mineral reserves uneconomical or unprofitable to develop at a particular site or sites. A reduction in the Corporation's estimated mineral reserves could require material write-downs in investment in the affected mining property and increased amortization, reclamation and closure charges.

Endeavour's ability to recover estimated mineral reserves and mineral resources can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ dramatically from that indicated by results of drilling, sampling and other similar examinations. Short term factors relating to mineral reserves and mineral resources, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that those portions of such mineral resources that are not mineral reserves will ultimately be re-classified into mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability

There can be no assurance that those portions of such mineral resources that are not mineral reserves will ultimately be converted into mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Endeavour's ability to expand or replace depleted reserves could materially affect its long-term viability.

Mineral reserves are reported as general indicators of mine life and should not be interpreted as assurances of mine life or of the profitability of current or future production. Mineral reserves depleted by production must be continually replaced to maintain production levels over the long term. In addition, mine life would be shortened if the Corporation expands production. Although Endeavour currently engages in exploration activities and seeks to expand existing ore bodies, such activity requires substantial expenditure and there is no assurance that current or future exploration or expansion programs will result in any new commercial mining operations or yield new reserves to replace or expand current mineral reserves. Failure to expand or replace depleted mineral reserves may make Endeavour unable to sustain production beyond current mine lives, and have a material adverse impact on operations.

Endeavour depends on key management and skilled personnel and may not be able to attract and retain qualified personnel in the future.

Endeavour's success depends, to a large degree, upon the continued service and skills of the existing management team. The management team has significant experience and has been intimately involved in the integration of acquisitions and construction of new projects. If the Corporation loses the services of any key member of the senior management team and is unable to find a suitable replacement in a timely manner, Endeavour may be unable to effectively manage its business and execute its strategy.

In addition, Endeavour depends on skilled employees to carry out its operations. The loss of these persons or the Corporation's inability to attract and retain additional highly skilled employees required for the implementation of its business plan and ongoing development and expansion of its operating assets may have a material adverse effect on the business or future operations.

Endeavour faces risks associated with the use of third-party service providers.

As is common industry practice certain aspects of mining operations, such as drilling and blasting, are conducted by outside contractors. The mining operations at the Agbaou, Nzema, and Youga Mines are undertaken by third-party contactors and as a result, the Corporation is subject to a number of risks associated with the use of such contractors, including the corporation having reduced control over the aspects of the operations that are the responsibility of a contractor, failure of a contractor to perform under its agreement, inability to replace the contractor if either Endeavour or the contractor terminate the service agreement, interruption of operations in the event the contractor ceases operations as a result of a contractual dispute with Endeavour or as a result of insolvency or other unforeseen events, failure of the contractor to comply with applicable legal and regulatory requirements, and failure of the contractor to properly manage its workforce resulting in labor unrest, strikes or other employment issues, any of which may have a material adverse effect on the Corporation's business, financial conditions and results of operations.

Endeavour may require further licenses to develop and exploit certain gold reserves or to process the ore of third parties and title claims to any of its material properties may result in future losses or additional expenditures.

The Corporation is required to maintain licenses and permits from various governmental authorities in order to conduct its business. Endeavour believes that it holds all necessary licenses and permits under applicable laws and regulation in respect of its properties and that it is presently complying in all material respects with the terms of such licenses and permits. Such licenses and permits, however, are subject to change in various circumstances. There is a risk that the necessary permits, consents, authorizations and agreements to implement planned exploration, development or mining may not be obtained under conditions or within the time frames that make such plans economic, that applicable laws, regulations or the governing authorities will change or that such changes will result in additional material expenditures or time delays.

To the extent that the Corporation may process third party ore on a tolling basis, the seller of that ore may be required to hold the relevant in-country permits to carry out mining activities or to aggregate ore from other sources. In the absence of those permits the Corporation may be forced to suspend or terminate its arrangements for the supply of that third party ore.

There can be no assurance that Endeavour will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities on properties under exploration or development, or to maintain continued operations that economically justify the cost. The validity of ownership of property holdings can be uncertain and may be contested. Risk always exists that some titles, particularly titles to undeveloped properties, may be defective.

Endeavour's rights to explore and extract minerals from its material properties are, to the best of its knowledge, in good standing in all material respects. Endeavour cannot provide assurance, however, that the Corporation will be able to secure the grant or the renewal of existing mineral rights and tenures on terms satisfactory to it, or that governments in the jurisdictions in which Endeavour operate will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments, indigenous peoples or other claimants. Further, the Corporation can provide no assurance that some of its titles, particularly its titles to undeveloped properties, are not defective or that title to its properties will not be challenged, encumbered or revoked in the future.

Endeavour's activities are extensively regulated in respect of environmental, health and safety standards which are likely to become more stringent over time and may be subject to unforeseen to changes.

All phases of mining operations are typically subject to environmental, health and safety regulation in the various jurisdictions in which the Corporation operates. Environmental, health and safety legislation in many countries is evolving and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental, health and safety laws and regulations may require significant capital expenditure and may cause material changes or delays in the Corporation's intended activities. There can be no assurance that future changes in environmental, health and safety regulations will not adversely affect the Corporation's business, and it is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the business, causing the Corporation to re-evaluate those affected activities at that time.

Endeavour stakeholders and the communities in which Endeavour operate increasingly expect the Corporation to apply stringent internationally recognized environmental, health and safety benchmarks to its operations, in addition to complying with local laws and regulations. In particular, certain financial institutions from which the Corporation has borrowed funds are signatories to the Equator Principles, a set of voluntary principles that require signatory banks not to advance loans to an entity whose operations do not meet internally recognized social or environmental standards. Endeavour's deviation from the Equator Principles or similar benchmarks could prevent or adversely affect Endeavour's existing or future financing.

In addition, the Corporation must also continually engage with stakeholders, local communities and other interested parties such as non-governmental organizations regarding the environmental and social impact of its operations and undertake steps to mitigate such impact where feasible. The Corporation's potential failure to meet the environmental, health and safety expectations of these various stakeholders may harm its reputation, as well as its ability to bring projects into production, which could in turn adversely affect its revenues, results of operations and cash flows, potentially in a material manner. In addition, the Corporation's costs and management time required to comply with standards of social responsibility and sustainability are expected to increase over time.

Endeavour uses sodium cyanide and other hazardous chemicals in the gold production at the Agbaou, Nzema, Tabakoto, and Youga Mines, and may in the future use sodium cyanide at any other operating mine, including at the Houndé Project. If sodium cyanide or other chemicals leak or are otherwise discharged from the containment system, the Corporation may be subject to liability for clean-up work. The Corporation currently carries insurance to protect against certain risks in such amounts as the Corporation considers adequate. Not all risks, however, are insured. Therefore, Endeavour may suffer a material adverse impact on its business if the Corporation incurs losses related to any significant events that are not covered by its insurance policies. In addition, Endeavour is exposed to claims alleging injury or illness from exposure to hazardous materials present, used at or released into the environment from its sites.

Furthermore, environmental hazards, currently unknown to the Corporation, may exist on or adjacent to its projects. Endeavour may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial clean-up action or to pay for governmental remedial clean-up actions, even in cases where such hazards have been caused by previous or existing owners of or operations on project land, by past or present owners of adjacent properties or natural conditions. The costs of such clean-up actions may have a material adverse impact on the Corporation's operations and profitability.

Endeavour is subject to risks and expenses related to reclamation costs and related liabilities.

Land reclamation requirements are generally imposed on mining companies in order to minimize long term effects of land disturbance, and Endeavour is subject to such requirements at its mineral properties. Reclamation obligations require Endeavour to allocate financial resources that might otherwise be spent on operations or further exploration and development programs.

Reclamation legislation in the jurisdictions in which Endeavour operates requires Endeavour to maintain certain funding accounts and bonding arrangements including the following:

Agbaou, Côte d'Ivoire

In connection with the Agbaou Mine, applicable legislation and the Agbaou Mining Convention requires Endeavour to open an environmental rehabilitation bank account and make annual contributions equal to 20% of the total forecast rehabilitation budget as stated in the environmental impact assessment divided by the number of years forming the mine life. The remaining 80% of the annual contributions must be covered by way of a bank guarantee. Endeavour has engaged a local bank to commence the process to issue the guarantee, and the Corporation continues to coordinate with the relevant state agencies in order to comply with the requirements.

Nzema, Ghana

In connection with the Nzema Mine, the Ghana Environmental Protection Agency (the "**Ghana EPA**") requires reclamation costs over the mine life to be secured by way of a performance bond (or similar instrument) issued by an approved financial institution. The amount of reclamation security fluctuates in accordance with land disturbance and is calculated by reference to the Nzema Mine's environmental management plan and any updates thereto. The Corporation has obtained a bank bond, secured with cash collateral and other guarantees, to fulfill its reclamation obligations to the Ghana EPA.

Tabakoto, Mali

The Mining Code of the Republic of Mali requires mining companies to provide a form of financial assurance (bond or letter of credit) issued by an internationally recognized bank and equal to 5% of the mining company's forecasted turnover figure. This legislation has historically not been enforced since its passage in 2012 and Endeavour has not as yet fulfilled such requirements. While the Corporation does not expect any material liability to be incurred as a result of such non-compliance, and while the Corporation in any case expects to meet its reclamation obligations upon mine closure as required by local law, the strict environmental standards Endeavour is held to in its Revolving Credit Facility, as well as on the basis of the international best practices the Corporation holds itself to, Endeavour can provide no assurance that the government of Mali will not impose penalties on Endeavour or otherwise require the Corporation to comply.

Youga, Burkina Faso

Legislation in Burkina Faso provides that mining companies exploiting a mine in the country must establish an environmental preservation and rehabilitation fund trust account ("**EPRF**") and make annual contributions equal to the total forecasted rehabilitation budget as stated in the project's environmental impact assessment divided by the number of years forming the mine life. The Corporation has established an EPRF account for the Youga Mine and made the required financial contributions.

Although Endeavour believes it is in material compliance with its reclamation funding obligations, there is no assurance that any such provisions will be sufficient to complete reclamation work actually required or that Endeavour will not be required to fund additional costs related to reclamation that could have a material adverse effect on its financial position.

Endeavour may be unable to compete successfully with other mining companies.

The mining industry is intensely competitive. Significant competition exists for the acquisition of properties producing or capable of producing gold or other metals. Endeavour may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than Endeavour. Endeavour may encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals. Increased competition could adversely affect Endeavour's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Endeavour's insurance coverage does not cover all of the potential losses, liabilities and damage related to its business, and certain risks are uninsured or uninsurable.

While Endeavour maintains insurance against certain risks, the nature of the risks inherent in the mining industry, including risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining and monetary losses and possible legal liability, are such that a liability could exceed the Corporation's insurance policy limits or could be excluded from its coverage. The potential costs which could be associated with any liabilities not covered by insurance, or in excess of insurance coverage, may require significant capital outlays, adversely affecting the Corporation's future earnings and competitive position and its financial condition and results of operations. The Corporation cannot provide assurance that its insurance will be available at economically feasible premiums or at all in the future, or that it will provide sufficient coverage for losses related to these or other risks and hazards. Furthermore, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to companies in the mining industry on acceptable terms. Losses from these events may cause the Corporation to incur significant costs that could have a material adverse effect on its financial performance and results of operation.

Endeavour may face the risk of litigation in connection with its business and other activities.

All industries, including the mining industry, are subject to legal claims, with and without merit. Endeavour may become party to new litigation or other proceedings in a number of jurisdictions. The cost of defending such claims may take away from management's time and effort and if adjudged adversely to us, may have a material and adverse effect on the Corporation's cash flows, results of operation and financial condition.

Endeavour's shareholders may have difficulty enforcing legal rights and judgements.

The Corporation is incorporated under the laws of the Cayman Islands. The foreign organization, management and offices of the Corporation may make it more difficult for shareholders to enforce their legal rights than if the Corporation was organized, managed and resident in Australia or Canada or the United States. The common law and statutory rights of shareholders under the laws of the Cayman Islands may be less extensive than statutory rights available to shareholders under the laws of Australia or Canada or the United States. Although the Cayman Islands have enjoyed a stable political climate for many years, there can be no assurance that changing social and political conditions will not adversely affect the operations of the Corporation in the future.

Substantial portions of the assets of Endeavour are located in jurisdictions outside of Canada, the United States and Australia. As a result, it may be difficult for shareholders resident in Canada, the United

States or Australia or other jurisdictions to enforce judgments obtained against Endeavour in Canada, the United States or Australia if the damages awarded exceed the realizable value of Endeavour's Canadian, American or Australian assets, respectively.

Endeavour is dependent on its workforce and the workforce of its third-party service providers to extract and process gold minerals, and is therefore sensitive to any labor disruption at its material properties.

Endeavour has approximately 2,500 employees and an additional 1,600 individuals who are employed indirectly through the use of third-party service providers. There are collective bargaining agreements in place at three of our mines, and the Corporation is also subject to a legislated collective bargaining laws in Ghana. Endeavour depends on its employees and third-party service providers to explore for mineral reserves and resources, develop its projects and operate its mines. The Corporation has in the past, and may in the future, experience labor disputes with its employees or third-party service providers and any breakdown or deterioration in relations with its employees or third-party service providers may adversely impact its operations. Any strikes and other labor disruptions at any of the Corporation's operations, including those involving the workforce of third-party contractors, or lengthy work interruptions at existing and future development projects could result in a material adverse effect on the timing, completion and cost of any such project, as well as on Endeavour's business, results of operations and financial condition.

Endeavour faces risks associated with artisanal mining, which may result in accelerated depletion of its ore bodies and create environmental, health and safety liability.

Endeavour faces risks associated with artisanal mining on its properties. Artisanal miners may compromise the safety at the Corporation's mines, cause contamination of the environment as the result of unauthorized use of chemicals, including cyanide, and in certain cases, accelerate the depletion of the Corporation's ore bodies. Endeavour currently accounts for potential losses to artisanal mining by discounting the mineral resources and mineral reserves of the upper portion of its ore bodies that are impacted by these activities. Although the Corporation, with the assistance of local government authorities, has undertaken measures that have reduced the occurrence of artisanal mining, Endeavour cannot provide assurance that these measures will be successful in reducing or eliminating artisanal mining in the future. The Corporation may be held liable for environmental damage and/or personal injury associated with artisanal mining activity on its properties despite efforts to prevent that activity.

Endeavour may be adversely affected by the availability and costs of key inputs.

Endeavour's competitive position depends on its ability to control operating costs. The cost structure of each operation is based on many factors including the location, grade and nature of the ore body, the management skills at each site and the costs of key inputs such as fuel, electricity, tires for mining equipment, reagents, and other supplies. If such supplies become unavailable or their cost increases significantly, operations at the mines could be interrupted or halted, resulting in a material adverse impact on the Corporation's business, financial condition and results of operations.

In recent years, the mining industry has been impacted by increased worldwide demand for critical resources such as input commodities, drilling equipment, tires and skilled labor, and any shortages in these resources may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and production schedules.

Additionally, the Corporation's operations, by their nature, use large amounts of electricity and energy. Energy prices can be affected by numerous factors beyond Endeavour's control, including global and regional supply and demand, political and economic conditions, and applicable regulatory regimes. The prices of various sources of energy may increase significantly from current levels. An increase in electricity and energy prices could negatively affect Endeavour's business, financial condition, liquidity and results of operations. Increases in these costs would have an adverse impact on Endeavour's business, results of operations, financial condition and cash flows.

Endeavour's management prepares its cost and production guidance and other forecasts based on a review of current and estimated future costs, and management assumes that the materials and supplies required for operations will be available for purchase. Lack of supply or increased costs for any of these inputs would decrease productivity, reduce the profitability of the mines, and potentially result in suspending operations and therefore have a material adverse effect on the Corporation's business, financial condition and results of operations.

Surrounding communities may affect mining operations through restriction of access of supplies and workforce to the mine site or through legal challenges asserting ownership rights.

Surrounding communities may affect the mining operations through the restriction of access of supplies and workforce to the mine site. Certain of the Corporation's material properties may be subject to the rights or asserted rights of various community stakeholders, including indigenous people. While community outreach and development programs are maintained to mitigate the risk of blockades or other restrictive measures by the communities, there are no assurances that the Corporation's business, results of operations and financial condition will not be adversely impacted by the actions of the communities surrounding its properties.

Endeavour's mining properties are subject to various government equity carried interests and royalty payments payable to the government of the countries in which the Corporation operates.

The Corporation's mining properties in Burkina Faso, Côte d'Ivoire, Ghana and Mali are subject to certain government equity interests. The mining laws of Burkina Faso, Côte d'Ivoire, Ghana and Mali stipulate that when an economic ore body is discovered on a property subject to an exploration permit, a mining permit that allows processing operations on that property to be undertaken must be issued, or transferred, to a new mining company in which the company may hold a majority interest and the government retains a minority "free-carried interest" free of any financial obligation, of at least 10%, in any mining project. Such legislation entitles the respective governments in these countries to maintain the same percentage of equity interest in the event of capital increases. In addition, mining legislation in Mali, and Côte d'Ivoire provides that the respective government may exercise a right to negotiate up to an additional 10% and 15% interest, respectively, in any mining company. Although Endeavour believes that it would be entitled to economic consideration if the governments of Mali and Côte d'Ivoire were to exercise such rights, Endeavour can provide no assurance that it would be compensated fairly or at all.

In addition, Endeavour is party to certain mining conventions in the countries in which the Corporation operates that require Endeavour to make various royalty payments. The laws and practices of the various governments as to foreign ownership, control of mining companies, or required royalties may change in a manner which adversely affects the Corporation's business, results of operations and financial condition. Furthermore, if Endeavour acquires mining interests in new jurisdictions there can be no assurance that the legislation in those jurisdictions will be at least as favorable as the legislation that exists in the jurisdictions in which the Corporation currently operates.

Endeavour is exposed to tax risks by virtue of the international nature of its activities.

Endeavour has operations and conducts business in a number of jurisdictions and are subject to the taxation laws of these jurisdictions. These taxation laws are complex, subject to varying interpretations and applications by the relevant tax authorities and subject to changes and revisions in the ordinary course. Endeavour has been challenged by the tax authorities in the countries Endeavour operates in the past regarding tax positions taken, with results that negatively affected its earnings and there is no certainty that this will not occur again. Changes in taxation law or reviews and assessments could result in higher taxes being payable by Endeavour which could adversely affect profitability and cash flows. Although the Corporation has tax stabilization agreements with most of the countries in which it operates, there can be no certainty that such agreements will be upheld or not withdrawn in the future.

Endeavour may be adversely affected by violations of applicable anti-corruption laws as well as export control regulations and related laws and economic sanctions programs.

Endeavour conducts business in countries where there is a risk of government corruption. Acts and payments that may be considered illegal under applicable local and/or extraterritorial anti-corruption, anti-bribery, anti-money laundering or export control regulations and related laws may be considered an acceptable part of business culture in those countries. The Corporation is committed to doing business in accordance with all applicable local and/or extraterritorial anti-corruption laws and economic sanctions programs. Endeavour believes that it has a strong culture of compliance and an adequate system of internal controls and continuously seek to re-evaluate and improve such controls. Endeavour currently has a Business Conduct and Ethics Policy and Anti-Bribery and Anti-Corruption Policy in place. Nevertheless, there is a risk that Endeavour, or its affiliated entities or respective officers, directors, employees or agents may act in violation of its policies and applicable laws, including the UK Bribery Act 2010, the Canadian Corruption of Foreign Public Officials Act (1999), the Criminal Code (Commonwealth), the U.S. Foreign Corrupt Practices Act (1977) and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Endeavour also maintains an independent third party whistleblower service which is available to all employees and contractors. Communication of the whistleblower service is the responsibility of the General Manager and senior site management at each operation. Violations of applicable local and/or extraterritorial anti-corruption, anti-bribery, anti-money laundering and export control regulations and related laws are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts, termination of existing contracts, and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition**,** any such violations could result in damage to the Corporation's reputation and might materially adversely affect the Corporation's business, financial condition and results of operations.

***Endeavour's business is subject to evolving corporate governance and public disclosure regulations that have increased both its compliance costs and the risk of non-compliance*.**

The Corporation is subject to changing rules and regulations promulgated by a number of Canadian, Australian and United States governmental and self-regulated organizations, including the Canadian Securities Administrators, the Toronto Stock Exchange, and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity and Endeavour's efforts to comply with such rules and regulations, and other new rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities.

There are health risks associated with the mining work force in Africa.

Malaria, Ebola and other diseases represent a serious threat to maintaining a skilled workforce in the mining industry throughout Africa and are a major healthcare challenge to Endeavour's operations in Africa. The recent epidemic of the Ebola virus disease in parts of West Africa resulted in a substantial number of deaths and the World Health Organization had declared it a global health emergency. This outbreak did not affect Endeavour's operations but had it spread further the Corporation's workforce may have been adversely affected. Should there be an epidemic in the countries in which Endeavour operates, which is not satisfactorily contained, its workforce may be adversely impacted and Endeavour may face difficulties securing transportation of supplies and equipment essential to its mining operations. As a result, the Corporation's exploration, development and production plans could be delayed, or interrupted after commencement. Any changes to these operations could significantly increase costs of operations and have material adverse effect on the Corporation's business, results of operations, and future cash flow.

Endeavour is subject to interest rate risk in respect of borrowings under its Revolving Credit Facility.

Borrowings under Endeavour's Revolving Credit Facility are at variable rates of interest and any borrowings would expose Endeavour to interest rate cost and interest rate risk. If interest rates increase, the Corporation's debt service obligations on the variable rate indebtedness will increase even though the amount borrowed remains the same. This would in turn result in a decrease in the Corporation's net income and cash flows, limiting its ability to use resources for growth and investment in its operations.

Endeavour's use of derivative instruments involves certain inherent risks including credit risk, market liquidity risk, and unrealized mark-to-market risk.

From time to time, Endeavour employs hedging tools for a portion of its gold production and commodity prices, in order to reduce exposure against fluctuations in the price of gold or the underlying commodities it uses. The main hedging tools available to protect against price risk are forward contracts and put options. Various strategies are available using these tools. Although hedging activities may protect the Corporation against a low gold price or commodity price fluctuations, they may also (i) limit the price that can be realized on the portion of hedged gold where the market price of gold exceeds the strike price in forward sale or call option contracts, and (ii) stipulate a price at which a commodity (such as fuel) must be purchased, which may be higher than the prevailing market price for that commodity.

DIVIDENDS AND DISTRIBUTIONS

The Corporation has not paid any dividends in the past three years. There are no restrictions on the Corporation's ability to pay dividends or make distributions, other than pursuant to the terms of the Facility. The payment of dividends and making of distributions to shareholders in future will depend, among other factors, on earnings, capital requirements, and the Corporation's operating and financial condition.

DESCRIPTION OF CAPITAL STRUCTURE OF ISSUER

General Description of Capital Structure

Endeavour's authorized capital is $20,000,000 divided into 1,000,000,000 ordinary shares (the "**Endeavour Shares**") and 1,000,000,000 undesignated shares with a par value of $0.01 each, none of which undesignated shares have been issued. As at March 25, 2015, 413,143,668 Endeavour Shares were issued and outstanding. Endeavour had stock options outstanding under its stock option plans, exercisable into 30,844,318 Endeavour Shares.

Endeavour Shares

The Endeavour Shares confer upon the holders thereof the right to receive notice of, to attend and to vote at, general meetings of the Corporation. The Endeavour Shares are transferable by their holders subject to compliance with the provisions of the articles of association of the Corporation in relation to transfers. The Endeavour Shares confer upon the holders thereof rights in a winding-up or repayment of capital and the right to participate in the profits or assets of the Corporation in accordance with the articles of association. The directors of the Corporation can implement or effect at their sole discretion the issuance of a preferred share purchase right to be attached to each issued Endeavour Share with such terms and for such purposes, including the influencing of a takeover, as may be described in a rights agreement between the Corporation and a rights agent.

The Endeavour Shares are not redeemable by the Corporation or the holder of such shares. Subject to applicable law, the Corporation may purchase its own Endeavour Shares on such terms and in such manner as the directors may determine and agree with the shareholder, and make a payment in respect of the purchase of its own Endeavour Shares otherwise than out of profits or the proceeds of a new issue of shares.

Undesignated Shares

Undesignated shares in the capital of the Corporation may be designated and created as shares of any other class or series of shares with their respective rights and restrictions determined upon the creation thereof by resolution of the directors approved pursuant to the articles of association of the Corporation.

MARKET FOR SECURITIES

Price Range and Trading Volumes of Endeavour Shares

Endeavour Shares are listed and posted for trading on the TSX under the trading symbol "EDV" and trade on Canadian alternative trading systems ("**ATS**"). The CDIs trade on the ASX under the symbol "EVR". The following tables set forth, for the periods indicated, the reported high, low and month-end closing trading prices and the aggregate volume of trading of the Endeavour Shares in Canada on the TSX and on ATS, and in Australia on the ASX:

Trading Data for Endeavour Shares in Canada

	High (C$)	Low (C$)	Close (C$)	TSX Volume	ATS Volume	Total Volume
January 2014	0.71	0.495	0.67	34,697,297	37,269,512	71,966,809
February 2014	0.85	0.65	0.80	28,735,717	33,121,026	61,856,743
March 2014	1.02	0.78	0.79	49,411,537	46,665,791	96,077,328
April 2014	0.88	0.74	0.86	18,711,100	20,096,941	38,808,041
May 2014	0.84	0.71	0.73	11,633,959	15,442,750	27,076,709
June 2014	0.88	0.72	0.83	22,702,852	25,454,090	48,156,942
July 2014	0.99	0.80	0.86	23,022,945	22,985,600	46,008,545
August 2014	1.00	0.83	0.91	15,106,228	13,340,000	28,446,228
September 2014	0.89	0.65	0.67	27,427,283	22,787,200	50,214,483
October 2014	0.70	0.48	0.48	24,925,408	16,370,110	41,295,518
November 2014	0.58	0.42	0.47	31,820,405	17,055,379	48,875,784
December 2014	0.54	0.38	0.425	79,847,819	25,048,724	104,896,543

Trading Data for CDIs on ASX

	High (AUD$)	Low (AUD$)	Close (AUD$)	ASX Volume
January 2014	0.71	0.50	0.65	17,283,578
February 2014	0.83	0.655	0.80	12,808,627
March 2014	1.02	0.77	0.80	12,186,830
April 2014	0.85	0.72	0.84	2,598,049
May 2014	0.83	0.665	0.78	2,238,778
June 2014	0.84	0.695	0.78	1,774,601
July 2014	0.985	0.81	0.87	2,412,342
August 2014	0.97	0.84	0.895	1,333,039
September 2014	0.90	0.68	0.705	2,373,862
October 2014	0.70	0.54	0.54	872,548
November 2014	0.555	0.45	0.515	3,498,692
December 2014	0.55	0.415	0.45	483,243

Prior Sales

The Corporation has issued the following unlisted securities during the most recently completed financial year:

Date of Issuance	Price per Security ($)	Number of Securities Issued
Stock Options:		
May 13, 2014	C$0.81	900,000
July 18, 2014	C$0.95	6,255,000
Preferred Share Units:		
July 18, 2014	C$0.92(1)	2,627,000
Deferred Share Units:(2)		
March 31, 2014	C$0.84	130,284
June 30, 2014	C$0.83	127,016
September 30, 2014	C$0.72	154,088
December 31, 2014	C$0.42	272,760

(1) This is the market price on the date of grant. Preferred Share Units ("**PSUs**") are issued pursuant to the Corporation's PSU Plan and settled in cash when they vest on the basis of the market price of the Endeavour Shares at that time and a performance multiplier.

(2) Deferred Share Units ("**DSUs**") are issued to non-executive directors of the Corporation pursuant to the Corporation's DSU Plan. DSUs are settled in cash on the basis of the market price of the Endeavour Shares following a director's resignation or retirement from the board of directors.

DIRECTORS AND OFFICERS

The following table indicates the name, province or state, and country of residence of each director and executive officer of the Corporation as at its most recent financial year end, their respective positions with the Corporation and principal occupations during the past five years, the dates on which each of them commenced serving as a director of the Corporation, and the number and percentages of Endeavour Shares (being the Corporation's only class of voting securities) owned directly or indirectly or over which control or direction is exercised by each of them as at March 25, 2015.

Name and Residence of Director/Officer and Present Position with the Corporation	Principal Occupation	Date Commenced Being a Director	Number of Endeavour Shares[1]
MICHAEL E. BECKETT [2] [3] [4] [5] London, England *Director and Chairman*	Various Chairman and Director appointments	July 26, 2002	160,000
NEIL WOODYER Monte Carlo, Monaco *Director, President and Chief Executive Officer*	President and Chief Executive Officer of the Corporation	July 26, 2002	1,007,127[6]
WAYNE McMANUS [2] [4] [5] Grand Cayman, Cayman Islands *Director*	College Professor and Author	July 26, 2002	80,000
IAN HENDERSON[3] [4] London, England *Director*	Former Managing Director at JP Morgan Asset Management	April 1, 2013	Nil
IAN COCKERILL[3] Johannesburg, South Africa *Director*	Various Chairman and Director appointments	September 17, 2013	94,000
MIGUEL RODRIGUEZ [2] [5] Pully, Switzerland *Director*	Economist	September 17, 2013	Nil
FRANK GIUSTRA Vancouver, Canada *Director*	Entrepreneur, Investor, Philanthropist	September 17, 2013	6,807,215[7]
ADRIAAN "ATTIE" ROUX[8] Accra, Ghana *Chief Operating Officer*	Executive Vice President and Chief Operating Officer of the Corporation	N/A	314,294
CHRISTIAN MILAU [9] Fontvieille, Monaco *Executive Vice President and Chief Financial Officer*	Executive Vice President and Chief Financial Officer of the Corporation	N/A	396,348
DOUGLAS BOWLBY Vancouver, Canada *Executive Vice President Corporate Development*	Executive Vice President Corporate Development of the Corporation	N/A	346,357
MORGAN CARROLL Monte Carlo, Monaco *Senior Vice President Corporate Finance, General Counsel and Secretary*	Senior Vice President Corporate Finance, General Counsel and Secretary of the Corporation	N/A	176,744

(1) Endeavour Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, which information has been furnished by the directors themselves.
(2) Member of the Remuneration Committee.
(3) Member of the Safety, Health and Environmental Committee.
(4) Member of the Corporate Governance and Nominating Committee.
(5) Member of the Audit Committee.
(6) Ashdell Ltd., a company beneficially owned by a Woodyer family trust, holds 2.8 million Endeavour Shares as of the date of this AIF. Ashdell is controlled by this trust which operates through an independent trustee. Neil Woodyer has no control or direction over or beneficial interest in Ashdell Ltd. or the trust.
(7) Includes 1,500,000 Endeavour Shares held by Radcliffe Foundation, a charitable foundation controlled by Mr. Giustra.

(8) The position of Chief Operating Officer of the Corporation was assumed by Adriaan Roux of Accra, Ghana on September 1, 2012. Previously, Mr. Roux acted as Senior Vice President Operations and General Manager of the Nzema Gold Mine. Prior to this, Mr. Roux held various positions with AngloGold Ashanti Limited, an NYSE, JSE and ASX-listed company.

(9) The position of Executive Vice President and Chief Financial Officer of the Corporation was assumed by Christian Milau of Fontvieille, Monaco on March 31, 2011. From August, 2008 to March, 2011, Mr. Milau was Vice-President and Treasurer of New Gold Inc., a TSX and AMEX listed intermediate gold producer with operating mines in the United States, Canada, Mexico and Australia.

Directors are elected at each annual meeting of Endeavour's shareholders and serve until the next annual meeting or until their successors are elected or appointed.

To the best of the Corporation's knowledge based on information furnished by the directors and executive officers of the Corporation, as a group, the directors and executive officers of the Corporation exercised control and direction, directly or indirectly, over 9,382,085 Endeavour Shares or less than 2.27% of the issued Endeavour Shares as at March 25, 2015.

Corporate Cease Trade Orders or Bankruptcies

No director or executive officer of the Corporation is or within the 10 years before the date of this AIF has been, a director or executive officer of any other issuer that, while such person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied such other issuer access to any exemptions under Canadian securities legislation for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or officer ceased to be a director or officer, in the Corporation being the subject of a cease trade order or similar order or an order that denied the relevant issuer access to any exemption order under Canadian securities legislation, for a period of more than 30 consecutive days.

Except as disclosed below, no director, executive officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or within the 10 years before the date of this AIF has been, a director or executive officer of any other issuer that, while such person was acting in that capacity within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Mr. Cockerill was a non-executive director of Peterstow Holdings from August 2010 to March 2012. In August 2012, subsequent to Mr. Cockerill's resignation from the board of directors, Peterstow Holdings applied for an order from the High Court in Swaziland to be placed under provisional liquidation. Mr. Cockerill is a minority shareholder of Peterstow Holdings, owning less than 1% of the issued and outstanding capital of the company.

Personal Bankruptcies

No director, executive officer or shareholder holding a sufficient number of the Corporation's securities to affect materially the control of the Corporation has, within 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Penalties or Sanctions

No director, executive officer or shareholder holding a sufficient number of the Corporation's securities to affect materially the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or has entered into a settlement agreement with a Canadian securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Directors and Officers

The Corporation's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for the participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of British Columbia, the directors of the Corporation are required to act honestly, in good faith and in the best interests of the Corporation. In determining whether or not the Corporation will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Corporation may be exposed and its financial position at that time.

The directors and officers of the Corporation are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Corporation will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable law, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Corporation are not aware of any such conflicts of interests.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee's charter is set out in full in Schedule "A".

Composition of the Audit Committee

The Audit Committee is comprised of Wayne McManus (Chair), Miguel Rodriguez and Michael Beckett. All members are independent and financially literate.

Relevant Education and Experience

Wayne McManus worked for several years as a private banker providing accounting and wealth management services to clients. Mr. McManus also has over 20 years of experience teaching accounting at the college level. He is a Certified Public Accountant, a Chartered Financial Analyst and has a Masters of Business Administration degree.

Miguel Rodriguez holds a Ph.D. in Economics from Yale University and has served on the audit committees of Pacific Rubiales Energy Corp. (TSX) for the past five years and Pacific Coal Corp. (TSX.V) for the past four years. In his career, Mr. Rodriguez has served as the Economic Minister of the Republic of Venezuela, the President of the Central Bank of Venezuela, a Governor to the International Monetary Fund, and a Senior Advisor to the World Bank. He also had a long academic career as a Professor of Economics.

Michael Beckett has extensive experience serving on the boards of directors of public companies in the resource sector and has served on a number of audit committees over the course of his career. He is currently a member of the audit committee of Petroamerica Oil Corporation (TSX.V).

Pre-Approval Policies and Procedures for Non-Audit Services

Engagements for the provision of non-audit services are approved by both the Audit Committee and the Corporation's Board at the commencement of each financial year, and if applicable, will be considered on a case-by-case basis during the course of the year.

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years are set out below:

	December 31, 2014 (C$)	**December 31, 2013 (C$)**
Audit Fees(1)	1,681,000	1,665,000
Tax Fees(2)	413,765	454,813
All Other Fees(3)	229,561	Nil
Total Fees	2,324,326	2,119,813

(1) "Audit Fees" are the aggregate fees billed by the auditors for audit services.
(2) "Tax Fees" are fees for tax compliance work, preparing the annual tax returns and tax planning issues.
(3) "All Other Fees" are the aggregate fees paid to the auditors for advisory services related to enhancements to management reporting.

LEGAL PROCEEDINGS

The Corporation is not a party to, nor is any of its property the subject of, any material legal proceedings, and there are no material legal proceedings known by the Corporation to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any material interest, direct or indirect, of any director or officer of the Corporation, or any person or company that is a direct or indirect beneficial owner of, or who exercises control or direction over, more than ten percent of the Endeavour Shares, or any affiliate of such persons or companies, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or will materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The Corporation's Canadian transfer agent and registrar is Computershare Trust Company of Canada at its principal offices in Toronto, Ontario and Vancouver, British Columbia and its U.S. transfer agent and registrar is Computershare Trust Company, N.A. at its principal offices in Golden, Colorado. Endeavour's Australian transfer agent and registrar is Endeavour's Australian transfer agent and registrar is Computershare Investor Services Pty Limited at its principal offices in Melbourne, Australia. The website address of Computershare is www.computershare.com.

MATERIAL CONTRACTS

Except for contracts entered into by the Corporation in the ordinary course of business or otherwise disclosed herein, the Corporation has no contracts which can reasonably be regarded as material.

INTERESTS OF EXPERTS

Auditors

The auditors of the Corporation are Deloitte LLP, Chartered Accountants, Vancouver, British Columbia ("**Deloitte**"). Endeavour's consolidated annual financial statements for the year ended December 31, 2014, filed under National Instrument 51-102 contain the report of Deloitte given on their authority as experts in auditing and accounting. Deloitte is independent to the Corporation within the meaning of the Rules of Professional Conduct of the Institutes of Chartered Accountants of British Columbia.

Other Experts

The following are the technical reports prepared in accordance with NI 43-101 from which certain technical information relating to the Corporation's mineral projects on properties material to the Corporation contained in this AIF has been derived:

(a) The Nzema Report entitled "Technical Report and Mineral Resource and Reserve Update for the Nzema Gold Mine, Ghana, West Africa", dated effective December 31, 2012, prepared by Nicolas J. Johnson of MPR Geological Consultants Pty Ltd., Quinton De Klerk of Cube Consulting Pty Ltd. and William J.A. Yeo and Adriaan A. Roux of Endeavour. The individuals who are qualified persons for the purposes of NI 43-101 are listed under the section of this AIF entitled "Mineral Properties of the Corporation."

(b) The Youga Report entitled "Technical Report and Update of Mineral Resources and Mineral Reserves for the Youga Gold Mine, Burkina Faso, West Africa" dated effective December 31, 2014 (the "**Youga Report**"), prepared by K. Kirk Woodman, Kevin Harris and Adrian de Freitas of Endeavour.

(c) The Tabakoto report entitled "Technical Report and Mineral Resource and Reserve Update for the Tabakoto Gold Mine, Mali, West Africa" dated effective December 31, 2013, prepared Gerard de Hert, Kevin Harris, Michael Alyoshin and Adriaan Roux of Endeavour, Vaughn Duke of Sound Mining Solution (Pty) Ltd., and Eugene Puritch and Antoine Yassa of P&E Mining Consultants Inc.

The individuals who are qualified persons for the purposes of NI 43-101 are listed under the section of this AIF entitled "Mineral Properties of the Corporation."

(d) The Agbaou Report entitled "Technical Report, Mineral Resource and Reserve Update for the Agbaou Gold Mine, Côte d'Ivoire, West Africa" dated effective December 31, 2014 ("**Agbaou Report**") prepared by Adriaan Roux, K. Kirk Woodman, Kevin Harris and Michael Alyoshin of Endeavour.

(e) The Houndé Report entitled "Houndé Gold Project, Burkina Faso, Feasibility Study NI 43-101 Technical Report", dated effective October 31, 2013, prepared by Michael Warren of Lycopodium, Mark Zammit of Cube Consulting Pty Ltd, Ross Malcolm Cheyne of ORELOGY Group Pty Ltd, David Morgan of Knight Piésold Pty Ltd, and Peter O'Bryan of Peter O'Bryan & Associates. The individuals who are qualified persons for the purposes of NI 43-101 are listed under the section of this AIF entitled "Mineral Properties of the Corporation."

Each of these reports is available on SEDAR at www.sedar.com under the Corporation's profile. None of the authors of any report referred to above, other than William J.A. Yeo, Adriaan A. Roux, Adrian de Freitas, K. Kirk Woodman, Gérard De Hert, Kevin D. Harris, and Michael Alyoshin, who are current employees of the Corporation, had any interest, direct or indirect, in any securities or other properties of the Corporation, or any of its associates or affiliates, at the time the applicable report was prepared. None of the authors of any report referred to above have received or will receive from the Corporation any properties or any securities representing more than one percent of the outstanding securities of the Corporation or of any of the Corporation's associates or affiliates.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans will be contained in the Corporation's management proxy circular for its upcoming annual general meeting.

Additional financial information is provided in the Corporation's audited consolidated financial statements and management discussion and analysis for the year ended December 31, 2014.

APPENDIX "A"

AUDIT COMMITTEE CHARTER

ENDEAVOUR MINING

AUDIT COMMITTEE CHARTER

1. COMMITTEE STRUCTURE

The Audit Committee (the "**Committee**") of Endeavour Mining Corporation (the "**Corporation**") shall be comprised of at least three members, including the Chairperson, each of whom shall be an independent director in accordance with the applicable policies and guidelines of the Canadian Securities Administrators.

The Chairperson of the Committee shall be nominated by the Corporate Governance & Nominating Committee from time to time. A quorum for any meeting shall be two members.

Nominees for the Committee shall be recommended by the Corporate Governance & Nominating Committee in accordance with the policies and principles set forth in the Corporate Governance & Nominating Committee Charter. The invitation to join the Committee shall be extended by the Board of Directors (the "**Board**") itself, by the Chairman of the Corporate Governance & Nominating Committee or the Chairman of the Board. Members of the Committee may be removed or replaced by the Board. Each member of the Committee shall be financially literate.

Any Committee member may resign at any time by providing notice in writing or by electronic transmission to the Corporate Secretary of the Corporation. Such resignation shall take effect upon receipt thereof or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Minutes of each Committee meeting shall be kept. The Committee shall report its activities to the Board by distributing minutes of its meetings and, as appropriate, by oral or written report to the Board describing the Audit Committee's activities. The Chairperson may invite corporate officers and advisors to attend the meetings.

The Committee shall have unrestricted access to the Corporation's personnel and documents and shall be provided with the resources necessary to carry out its responsibilities.

The Committee has the right to engage experts or advisors, including independent legal counsel at the expense of the Corporation, to set and pay the compensation of such outside experts or advisors, and to communicate directly with the Corporation's internal and external auditors.

2. OPERATION OF THE COMMITTEE

Responsibility for the Corporation's financial reporting, accounting systems and internal controls is vested in the officers of the Corporation and is overseen by the Board.

The responsibility of the Committee is to assist the Board in fulfilling its oversight responsibilities. Meeting a minimum of four times annually, the Committee is responsible for:

- the financial reporting process of the Corporation including reviewing the objectivity of the independent audit; and
- overseeing the system of internal control, including the assessment of risk.

In undertaking these responsibilities the Committee shall perform various duties as outlined below:

- Review the financial statements and related notes of the Corporation before their submission to the Board, including the annual and interim financial statements, auditors' opinion, management letters, management's discussion and analysis of operations and financial press releases for the purpose of recommending approval by the Board prior to its release. Meet with the external auditors, with and without management present, to review the financial statements and the results of their audit, including:
  - assessing the risk that the financial statements contain material misstatements;
  - assessing the accounting principles used and their application, as well as being aware of new and developing accounting standards that may affect the Corporation;
  - assessing the significant estimates made by management; and
  - assessing the disclosures in the financial statements.
- Discuss the planning of the audit with the external auditors including:
  - the general approach taken in conducting the audit including any areas of particular concern or interest to the Committee or management and any extensions to the audit scope requested by the Committee or management;
  - areas of the financial statements identified as having a high risk of material misstatement and the auditor's response thereto;
  - the materiality and audit risk level on which the audit is based;
  - the extent of audit work related to internal controls;
  - the planned reliance on the work of other auditors, how the expectations shall be communicated to the other auditors and how their findings shall be communicated to the Committee; and

- the timing and estimated fees of the audit.

- Assess the overall process for identifying principal business, political, financial and control risks and providing its views on the effectiveness of this process to the Board.

- Evaluate the performance of the external auditors and recommend to the Board the appointment or replacement of the external auditors.

- Evaluate and recommend to the Board the compensation of the external auditors.

- Receive periodic reports from the external auditors regarding the auditors' independence, discuss such reports with the auditors, and if so determined by the Committee, recommend that the Board take appropriate action to ensure the independence of the auditors.

- Review with the external auditors any audit problems or difficulties and management's response and resolving disagreements between management and the auditors regarding financial reporting.

- Review the reliability and integrity of financial and operating information.

- Review the systems established to ensure compliance with the Corporation's policies, plans, procedures, laws, regulations and means of safeguarding assets including adequacy of controls surrounding electronic data processing and computer security.

- Review the adequacy of resources assigned to assess control and what steps the officers of the Corporation have taken to eliminate any potentially serious weaknesses in internal control including a review of executive expense procedures and use of Corporation assets, the capital investment control process and financial instruments procedures.

- Provide the opportunity for open communication between the Corporation, the external auditors and the Board.

- Disclose annually in the Corporation's Annual Information Form (and by cross-reference, in the Management Information Circular) information on the carrying out of its responsibilities under this Charter and on other matters as required by applicable securities regulatory authorities.

- Annually review and revise this Charter as necessary with the approval of the Board. This Charter may be amended and restated from time to time without the approval of the Board to ensure that the composition of the Committee and the responsibilities and powers of the Committee comply with the applicable laws and stock exchange rules.

- Approve any permissible non-audit engagements of the external auditors, in accordance with applicable legislation.

- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the external auditors.

- Establish and periodically review an anonymous reporting procedure for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and (b) the confidential anonymous submission by employees of the Corporation of concerns regarding potential fraud or questionable accounting or auditing matters, as is currently set out in the Corporation's Whistleblower Policy.

- Review the Corporation's disclosure controls and procedures and internal control over financial reporting (the "**Controls**"), and consider whether the Controls:

    - provide reasonable assurance that material information relating to the Corporation, including its consolidated subsidiaries, if any, is made known to the Corporation's Chief Executive Officer and Chief Financial Officer, particularly during the period in which the Corporation's annual filings are being prepared; and

    - provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Corporation's GAAP.

The Committee shall evaluate the effectiveness of the Controls as of the end of each period covered by the annual filings and provide the Board and management with its conclusions about the effectiveness of the Controls.

3. AMENDMENT, MODIFICATION AND WAIVER

These guidelines may be amended or modified by the Board, subject to disclosure and other policies and guidelines of the Canadian Securities Administrators.