

**ENDEAVOUR**

MINING

NEWS RELEASE

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ENDEAVOUR MINING GENERATES RECORD OPERATING CASH FLOW IN 2014

Vancouver, February 26, 2015 – Endeavour Mining Corporation (“Endeavour” or the “Corporation”) (TSX:EDV) (ASX:EVR) (OTCQX:EDVMF) announces 2014 gold production of 465,770 ounces resulting in an all-in sustaining margin of \$117.1 million. The AISC of \$995/oz during Q4 was our second consecutive quarter below our goal of \$1,000/oz. Endeavour previously released its 2014 operating results, 2015 guidance, updated year-end mineral resources and reserves and Houndé project updates. Overall, Endeavour’s operations performed well by delivering above guidance production, below mid-point for AISC cost guidance, and with exploration programs that successfully extended mine life and increased mineral reserves to 4.5 million ounces (see news releases dated January 15, 2015 and February 19, 2015).

(All amounts in US dollars unless otherwise indicated)

Full Year 2014 Financial and Operating Highlights

- Gold production of 465,770 ounces and sales of 467,887 ounces at a realized gold price of \$1,264 per ounce
- Cash cost per ounce sold of \$826, compared to \$890 in 2013
- Adjusted EBITDA of \$142.8 million, compared to \$68.9 million in 2013
- AISC per ounce sold of \$1,010, compared to \$1,137 in 2013
- Sustained stated goal of group-level AISC per ounce below \$1,000 for two consecutive quarters (Q3+Q4)
- AISC margin of \$117.1 million, compared to \$81.2 million in 2013
- Operating activities generated \$127.4 million of positive cash flow, which compares to \$43.8 million in 2013
- Cash expenditures and prepayments on mining activities decreased to \$117.1 million from \$213.6 million in 2013. For 2015, Endeavour’s non-sustaining capital spending is expected to be only \$20 million as the major capital programs of 2013 and 2014 are now complete
- A non-cash impairment charge to mineral properties and related assets of \$278.8 million, which is mostly related to Tabakoto (\$245.9 million) and driven by the unfavourable income tax climate in Mali, reduced assumptions regarding mine life (revised from 10 years to 7 years) for the purpose of the valuation model, and downward revision in the assumed gold price
- Endeavour ended 2014 in a strong financial position with \$62.2 million in cash

Neil Woodyer, CEO, stated

"2014 was a very successful year for Endeavour. We delivered on production growth, lowered AISC costs, and extended mine life through targeted exploration. We also advanced the Houndé project through permitting, and with exploration increased the mineral reserves to 2.1 million ounces to confirm the project as a core asset in our growth profile.

For 2015 we have five key objectives: 1) Produce 475,000 to 500,000 ounces, 2) Maintain AISC/oz below \$1,000 (guidance range is \$930 to \$980/oz), 3) To be profitable, 4) Use a portion of free cash flow to reduce debt, 5) To extend mine life through exploration success."

Table 1: 2014 Margin Generation and All-in Sustaining Cost

	12 Months Ended Dec 31, 2014		
	US\$ M	In Gold Ozs	\$ / oz
Gold revenue	\$583.6	461,755	
Less: Royalties	28.3	22,398	\$61
Less: Cash costs for ounces sold	381.6	301,918	826
Mine cash margin	173.7	137,439	
Less: Corporate G&A	21.7	17,186	47
Less: Sustaining capital	30.6	24,196	66
Less: Sustaining exploration	4.3	3,399	9
All-in sustaining margin / cost per ounce	<u>\$117.1</u>	<u>92,658</u>	<u>\$1,010</u>

Numbers may not add due to rounding

*Gold ozs sold excludes 6,132 ozs from Agbaou prior to commercial production

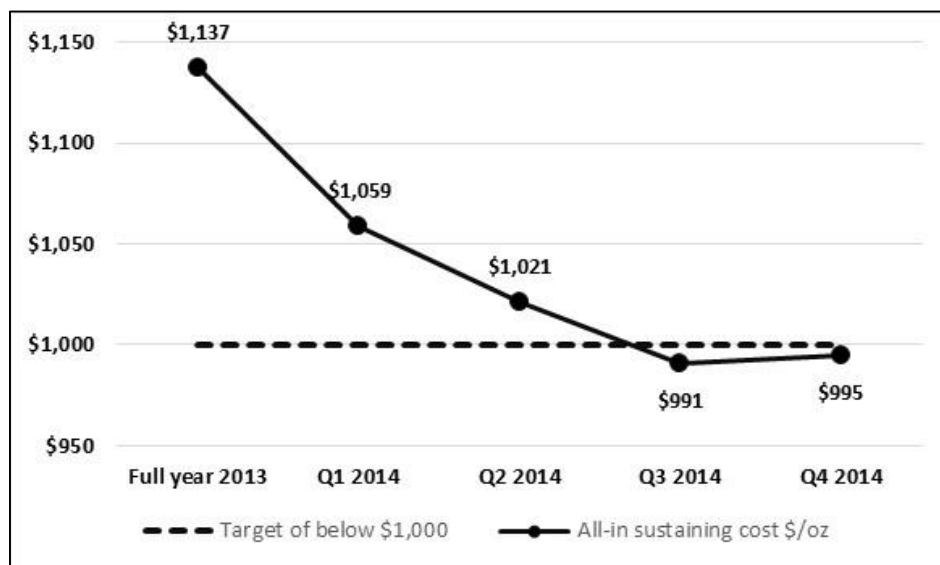
Figure 1: Maintaining all-in sustaining costs below \$1,000 per ounce


Table 2: 2014 Financing Activities and Reconciliation of Cash Position

	<u>US\$ M</u>
Cash - Opening Balance (Jan 1, 2014)	\$73.3
All-in sustaining margin	117.1
Non-sustaining investments	
Tabakoto - U/G equipment, CRF plant, Segala & Kofi development	59.9
Nzema	14.0
Agbaou	2.9
Houndé exploration (including \$6.7m of exploration)	9.5
Other	<u>0.2</u>
	-86.5
Change in working capital and other	-1.6
Repayment of Tabakoto equipment lease obligations	-3.0
Gold hedge settlement	-11.9
Taxes and interest paid	-25.2
Cash - Ending Balance (Dec 31, 2014)	<u><u>\$62.2</u></u>

2014 Adjusted Earnings

Net earnings from continuing operations (attributable to Endeavour shareholders) have been adjusted for the impact of fair value change of certain financial instruments, including the gold price protection program. Other adjustments include deferred income tax expense, adjustments related to investments in associates, stock-based payments, foreign currency effects, marketable securities, and other non-recurring items.

Table 3: Adjusted Net Earnings Reconciliation for the year ended December 31, 2014

	12 Months Ended Dec 31, 2014 <u>US\$ M</u>
Net earnings (loss) attributable to shareholders of Endeavour	-\$328.2
Net non-cash impairment charges	278.8
Loss/(gain) on derivative instruments and marketable securities	5.2
Loss on promissory note	3.3
Imputed interest on promissory note	-1.8
Loss on foreign currency	4.6
Other expenses (gains)	21.7
Stock-based payments	1.2
Deferred income taxes (recovery)	<u>31.2</u>
Adjusted net earnings after tax	<u><u>\$16.0</u></u>
Weighted average number of outstanding shares	413,119,218
Adjusted net earnings per share (basic, US\$ per share)	\$0.03

2015 Production and AISC Guidance

Endeavour's 2015 production guidance is 475,000 to 500,000 ounces at an all-in sustaining cost per ounce of \$930 to \$980. Guidance details by mine are provided in Tables 4 and 5.

Table 4: 2015 Production Guidance by Mine (ounces, 100% basis)

	2012 Actual	2013 Actual	2014 Actual	2015 Guidance Range
Agbaou	-	6,132	146,757	150,000 - 155,000
Nzema	109,447	103,464	115,129	110,000 - 115,000
Tabakoto	110,301	125,231	127,323	155,000 - 165,000
Youga	91,030	89,448	76,561	60,000 - 65,000
Total	310,778	324,275	465,770	475,000 - 500,000

Table 5: 2015 AISC/oz Guidance by Mine (\$/oz)

	2015 Guidance Range (\$/oz)
Agbaou	\$690 - \$740
Nzema	\$1,000 - \$1,050
Tabakoto	\$950 - \$1,000
Youga	\$975 - \$1,025
Mine-level AISC/oz	\$883 - \$933
Plus Corporate G&A (~\$18 million)	\$37
Plus Exploration (sustaining) & Other (~\$5 million)	\$10
AISC/oz	\$930 - \$980

At \$1,200 gold price and using the mid-point of 2015 production and AISC/oz guidance ranges, Endeavour is expecting to generate an AISC margin of approximately \$120 million in 2015. Calculations are outlined in Table 6. Non-sustaining capital is planned to be \$20 million in 2015.

Table 6: 2015 AISC Margin and Free Cashflow (before tax and financing)

2015 Production (guidance range mid-point)	ozs	487,500
2015 AISC/oz (guidance range mid-point)	\$/oz	\$955
Revenue	\$1,200 gold price	\$ million \$585
Less: AISC costs		\$ million \$465
All-in sustaining margin		\$ million \$120
<u>Non-sustaining capital:</u> Principal projects include completion of Kofi C open pit access, completion of Cement Rock Fill (CRF) plant for Segala underground mine operations, and ongoing exploration		
	\$ million	\$20
Free cashflow (before tax & financing costs)	\$ million	\$100



Financial Statements and related MD&A will be available on SEDAR, the ASX website, OTC Markets website, and in the Investor Relations section of Endeavour's website www.endeavourmining.com.

In order to access the Corporation's MD&A and financial statements directly, please click the following URL: http://files.newswire.ca/910/Integrated_FS_MDA.pdf

Conference Call Details

Management will host a conference call to discuss the 2014 year-end results on March 2, 2015 as detailed below. Presenting on the call will be Neil Woodyer, Chief Executive Officer, Attie Roux, Chief Operating Officer, and Christian Milau, Chief Financial Officer.

Analysts and interested investors are invited to participate using the dial in numbers below.

International:	+1 201-689-8040
North American toll-free:	+1 877-407-8133
Australian toll-free:	+1 800-687-004

The conference call can also be accessed through the following link:

<http://www.endeavourmining.com/s/Webcasts.asp>

The conference call will be held and webcast by Issuer Direct on **Monday March 2, 2015** at:

6:00 am	in Vancouver
9:00 am	in Toronto and New York
2:00 pm	in London
10:00 pm	in Hong Kong and Perth

The call will be archived for later playback on Endeavour's website until March 2, 2016.

Qualified Persons

Adriaan "Attie" Roux, Pr.Sci.Nat, Endeavour's Chief Operating Officer, is a Qualified Person under NI 43-101, and has reviewed and approved the technical information related to mining operations in this news release.

About Endeavour Mining Corporation

Endeavour is a Canadian-based gold mining company producing 500,000 ounces per year from four mines in West Africa. Endeavour is focused on effectively managing its existing assets to maximize cash flow as well as pursuing organic and strategic growth opportunities that benefit from its management and operational expertise.

On behalf of Endeavour Mining Corporation

Neil Woodyer
Chief Executive Officer



Cash costs, all-in sustaining costs at the mine level, AISC, adjusted EBITDA and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS.

This news release contains "forward-looking statements" including but not limited to, statements with respect to Endeavour's plans and operating performance, the estimation of mineral reserves and resources, the timing and amount of estimated future production, costs of future production, future capital expenditures, and the success of exploration activities. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "expected", "budgeted", "forecasts" and "anticipates". Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results 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 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 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. 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. Please refer to Endeavour's most recent Annual Information Form filed under its profile at www.sedar.com for further information respecting the risks affecting Endeavour and its business.