ENDEAVOUR MINING CORPORATION

Management's Discussion and Analysis of
Results of Operations and Financial Condition
For the three months ended March 31, 2015

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with Endeavour Mining Corporation's ("Endeavour" or the "Corporation") unaudited condensed interim consolidated financial statements for the three months ended March 31, 2015 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP") as issued by the International Accounting Standards Board. This Management's Discussion and Analysis contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained herein. The reader is cautioned not to place undue reliance on forward-looking statements. All figures are in United States Dollars, unless otherwise indicated. Tabular amounts are in thousands of United States Dollars, except per share amounts and where otherwise indicated. This Management's Discussion and Analysis is prepared as of May 1, 2015. Additional information relating to the Corporation, including the Corporation's Annual Information Form, is available on SEDAR at www.sedar.com.

OVERVIEW

Endeavour is a Canadian listed intermediate gold producer with four operating mines in West Africa, currently producing at a combined rate of 500,000 ounces per year. Our assets are comprised of the Agbaou Gold Mine in Côte d'Ivoire, the Nzema Gold Mine in Ghana, the Tabakoto Gold Mine in Mali, the Youga Gold Mine in Burkina Faso and the recently permitted Houndé Gold Project in Burkina Faso. For the three months ended March 31, 2015, we achieved total gold production of 123,744 ounces at an all-in sustaining cost ("AISC")[1] of $946 per ounce sold with an operating EBITDA[1] of $44.9 million. As of December 31, 2014, our mines and projects had Proven and Probable Mineral Reserves totaling approximately 4.5 million ounces.

The Agbaou Mine is our newest mine and also the lowest cost, highest margin mine in our operating group. In 2014 it was our largest contributor to production, producing 146,757 ounces. The Nzema Mine and Tabakoto Mine produced 115,129 ounces and 127,323 ounces, respectively, for the year ended December 31, 2014. Each has benefited from recent capital investments in the construction and optimization of these two mines.

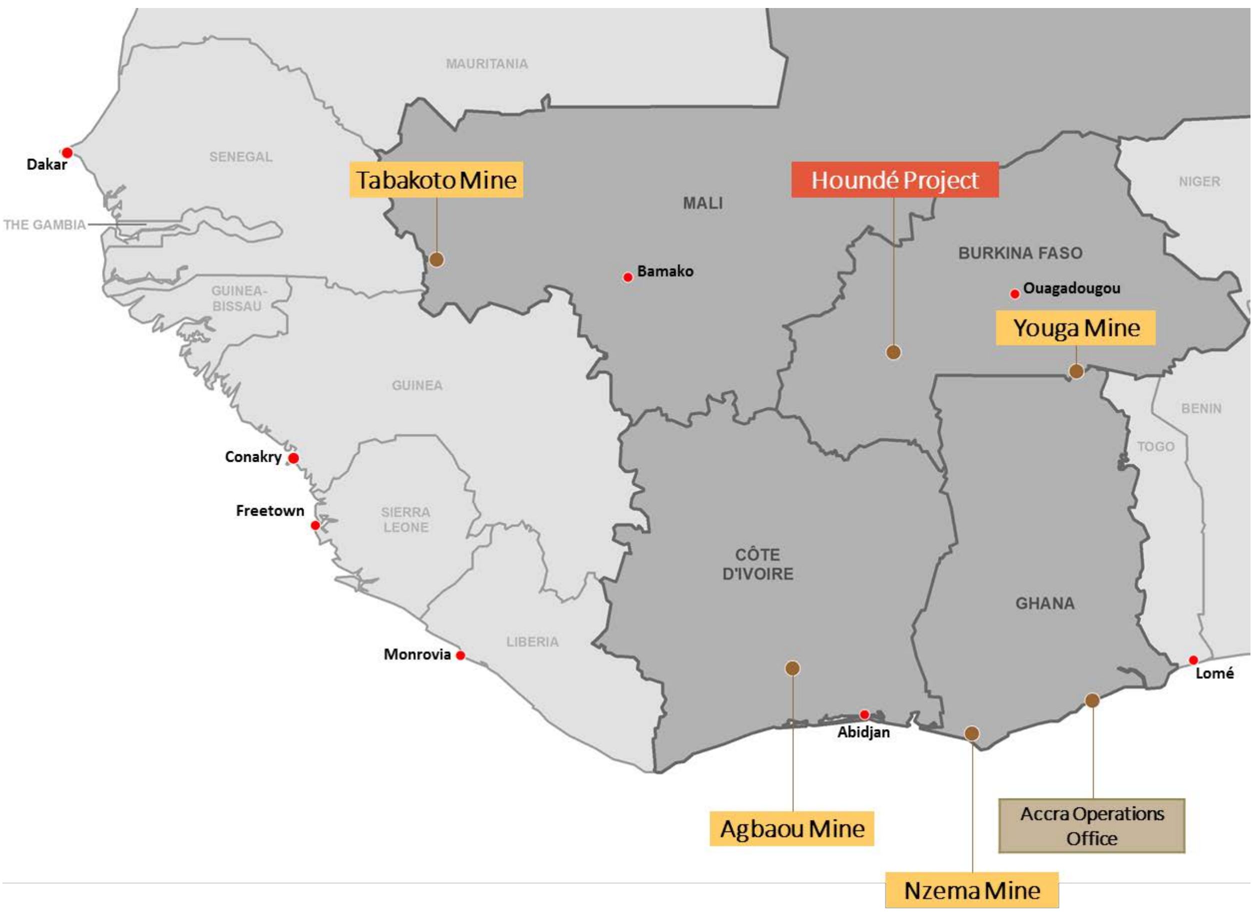
We have also advanced the Houndé Project in Burkina Faso, which is now in the pre-construction stage following the receipt of the mining permit in February 2015. On February 19, 2015, we announced the results of the 2014 Houndé exploration program and optimization of many of the project's key metrics. An updated open pit mine plan has demonstrated average annual gold production of just under 200,000 ounces per year over the increased 10 year mine life at an AISC of $714 per ounce. Average annual production of 222,000 ounces is expected over the first six years of the mine's life. The updated Mineral Reserves of 2.1 million ounces, which includes the additions from the 2014 drill program, and the updated mine plan have enhanced the economics of the project to an after-tax IRR of 31.4% at a gold price of $1,250 per ounce.

[1] AISC, all-in sustaining costs at the mine level, cash costs, operating EBITDA, all-in sustaining margin and adjusted earnings are non-GAAP financial performance measures with no standard meaning under IFRS, further discussed in the section Non-GAAP Measures. Throughout this MD&A, the realized price is the realized average gold price received for all ounces sold.

The arrival of 2015 marks the next phase of Endeavour's focus on generating shareholder value. We are shifting from two years of executing a capital intensive strategy optimizing our existing mines and building a new, longer life and higher margin operation, to managing our existing mines to maximize cash flow and reduce net debt on our balance sheet. Only a limited amount of non-sustaining capital related to our existing operations is expected going forward as we focus on our loan repayment objectives, and additionally, only critical priorities will attract capital at Houndé in 2015 before a potential construction decision is reached. Evaluating organic and strategic growth opportunities that benefit from our management and operational expertise is expected to continue.

Endeavour's shares are listed on the Toronto Stock Exchange (symbol EDV), the Australian Securities Exchange (symbol EVR), and quoted in the United States on the OTCQX International (symbol EDVMF).

The following figure shows the locations of our principal properties and operations in West Africa:



HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, 2015

- Gold production of 123,744 ounces and sales of 124,850 ounces, compared to production of 105,912 ounces and 111,798 ounces sold for the three months ended March 31, 2014.

- Net earnings and total comprehensive earnings of $13.0 million resulted in earnings attributable to shareholders of the Corporation of $9.0 million or $0.02 per share compared to $5.0 million or $0.01 per share for the comparable period in 2014.

- Operating EBITDA of $44.9 million was achieved in the quarter compared to $36.1 million achieved for the same period in the prior year.

- The Corporation renewed its revolving credit facility on similar terms but extended the maturity to 2020 during the quarter. Additionally, subsequent to March 31, 2015, the Corporation began its debt reduction program as planned, repaying $20.0 million to its syndicate of banks. As such, the Corporation's undrawn portion of the credit facility is $70.0 million, which remains fully available for general corporate purposes.

- All-in sustaining margin of $33.9 million was achieved in the current period compared to $25.3 million in the prior period, which compares favorably with the full year mid-point guidance of $95.0 million, and cash generated from operating activities of $31.4 million compared to $21.7 million in the prior year comparable period.

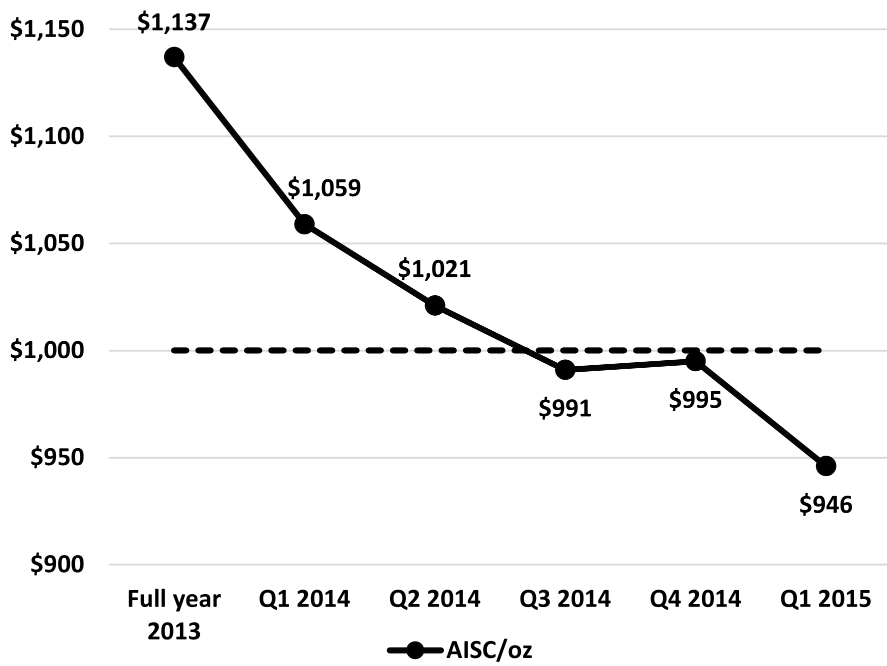
- Non-sustaining capital investments decreased to $8.3 million from $19.1 million as the Corporation transitions towards the end of its capital expenditure phase. Non-sustaining capital expenditure during 2015 is estimated at $20 million to $25 million and indicative of the Corporation's commitment to generate free cash flow and reduce debt during 2015.

- At Tabakoto, the operations team delivered a strong start to 2015 with the new Kofi C open pit delivering the expected higher grade ore to the Tabakoto plant. AISC at Tabakoto decreased significantly from $1,373 per ounce in the fourth quarter of 2014 to $1,127 for the first quarter of 2015, while the sustaining margin improved to $2.9 million in the current quarter from a deficit of $0.9 million over the same period in 2014.

- Agbaou Mine continued to outperform expectations producing 45,323 ounces of gold at an AISC of $577 per ounce, above guidance range in production and below guidance in AISC.

HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, 2015 (continued)

AISC continued to improve in the current period, on track for the Corporation's stated goal of achieving and maintaining AISC below $1,000, and the full year guidance of $930 - $980 per gold ounce sold. AISC were $946 per ounce in 2015 and decreased significantly compared to $1,059 per ounce and $995 per ounce for the first and fourth quarters of 2014, respectively.



The following table summarizes the consolidated operating results for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
Operating Data:	2015	2014
Gold ounces produced[1]:	123,744	105,912
Gold ounces sold[1]:	124,850	111,798
Realized gold price ($/ounce)	1,218	1,299
Cash cost per gold ounce sold ($/ounce)[2]	732	879
All-in sustaining costs per gold ounce sold ($/ounce)[2]	946	1,059
Sustaining capital (US dollars in thousands)[2]	13,953	5,769
Financial Data (US dollars in thousands)		
Revenues	152,065	137,211
Royalties	7,241	7,158
All-in sustaining margin[2]	33,931	25,270
Net earnings and total comprehensive earnings	12,951	8,953

[1] Gold ounces produced and sold in 2014 includes pre-commercial production ounces from the Agbaou Mine which achieved commercial production on January 27, 2014.
[2]Cash cost, AISC, sustaining capital and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures. Throughout this MD&A, the Corporation excludes royalties in its calculation of cash costs.

HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, 2015 (continued)

Cash flow from operations was robust at $31.4 million with the cash balance down from year end by only $5.8 million, despite one-off refinancing fees paid and the repayment of payables associated with the 2014 factoring of VAT balances. The following table illustrates the movement of cash in the current period.

		3 months ended March 31, 2015 US$ M
Cash - Opening balance (December 31, 2014)		**$62.2**
All-in sustaining margin	33.9	
Non-sustaining investments - Tabakoto, Nzema & Agbaou	-8.3	
Non-sustaining project capital - Houndé	-1.1	
Change in working capital and other	-7.9	
Repayment of Tabakoto equipment lease obligations	-0.8	
Gold hedge settlement	-2.3	
Interest paid	-4.2	
Free cash flow before exceptional items		9.3
Cash balance before exceptional items		71.5
Exceptional items:		
Payment of RCF refinancing fees		-5.4
Reduction of VAT receivable factoring loan		-9.7
Cash - Ending balance (March 31, 2015)		**$56.4**

OUTLOOK

2015 Corporate Objectives

Guidance remains unchanged from that disclosed as part of the MD&A for the year ended December 31, 2014.

Endeavour has focused on optimizing current operations, as well as lowering overall costs to sustainable levels and improving cash flows at its producing gold mines. Endeavour is also advancing its Houndé Project, recently permitted, for which the increased reserves and resources based on the 2014 exploration program highlight the significant value to be unlocked as Endeavour continues to demonstrate Houndé's robust economics. The potential development of Houndé would benefit from Endeavour's operating experience in Burkina Faso and recent construction experience in West Africa at Agbaou and Nzema. It is expected that the Houndé project can be built and self-financed from existing operations at a gold price of $1,200 or greater, together with lease financing and the use of our existing corporate credit facility. With significant investments completed in 2014 and the optimization of the operations well on track, Endeavour is focusing on the next stage of growing shareholder value.

The Corporation is focused in 2015 on the following five objectives:

- Producing in the guidance range of 475,000 to 500,000 ounces of gold;
- Maintaining all-in sustaining costs in the guidance range of $930 - $980 per ounce;
- Being profitable;
- Utilizing positive cash flow generation to reduce debt; and
- Extending its mine lives through exploration success and conversion of resources to reserves.

Production, Cost and Investment Guidance for 2015

Endeavour's 2015 gold production is forecast between 475,000 and 500,000 ounces at an all-in sustaining cost of between $930 and $980 per ounce. At a gold price of $1,200 per ounce and the mid-point of Endeavour's 2015 cost guidance range, this production generates an all-in sustaining cost margin of approximately $120 million. After non-sustaining capital of $20 to $25 million, with principal projects including the first quarter completion of Kofi C open pit access and associated infrastructure, completion of the Cemented Rock Fill plant ("CRF") for the Segala underground mine operations, and exploration activities, free cash flow before tax and financing costs is expected at approximately $100 million.

Production Guidance at mine level

	Gold Production (ozs)[1]			
Mine	2012 Actual	2013 Actual	2014 Actual	**2015 Guidance Range**
Agbaou, Côte d'Ivoire	-	6,132	146,757	**150,000 - 155,000**
Nzema, Ghana[2]	109,447	103,464	115,129	**110,000 - 115,000**
Tabakoto, Mali	110,301	125,231	127,323	**155,000 - 165,000**
Youga, Burkina Faso	91,030	89,448	76,561	**60,000 - 65,000**
Total	310,778	324,275	465,770	**475,000 - 500,000**

[1] On a 100% of production basis.
[2] Includes purchased ore.

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**

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**
Non-sustaining capital and budgeted exploration		$ million	~$20
Free cashflow (before tax & financing costs)		$ million	**$100**

OPERATIONS REVIEW

Agbaou Gold Mine, Côte *d'Ivoire*

The following table summarizes the operating results of the Agbaou Gold Mine for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
Operating Data:	2015	2014
Tonnes of ore mined (000's)	594	749
Average gold grade mined (grams/tonne)	2.13	1.47
Tonnes of ore milled (000's)	582	489
Average gold grade milled (grams/tonne)	2.46	1.77
Gold ounces produced:	45,323	24,086
Gold ounces sold:	45,538	28,020
Realized gold price ($/ounce)	1,225	1,295
Cash cost per gold ounce sold ($/ounce)[1]	406	594
All-in sustaining costs per gold ounce sold ($/ounce)[1]	577	647
Sustaining capital (US dollars in thousands)[1]	5,851	52
Financial Data (US dollars in thousands)		
Revenues	55,806	28,648
Royalties	1,950	1,106
All-in sustaining margin[1]	29,533	14,486

[1]Sustaining capital, all-in sustaining costs and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures.

Agbaou continued to perform well since commercial production was declared in January 2014 and since then has consistently proved itself to be the Corporation's highest producing and lowest cost contributor. The soft nature of the oxide ore continued in the first quarter and allowed above plan ore processing and recoveries to continue. AISC for the quarter of $577 ended well below the range of guidance of $690 to $740 per ounce as a result of improved grades continuing in the soft ores, high mill throughput and strong recoveries. Agbaou generated $35.1 million of operating cash flow and $27.4 million of earnings from mine operations indicating a very promising start to 2015.

Agbaou started on the 2015 exploration program in the first quarter with the Corporation investing $1.6 million into the conversion of Inferred resources to Indicated, as well as the generation of new targets. During the quarter a total of 17,958 meters were drilled at Agbaou, primarily through reverse circulation.

Sustaining capital of $5.9 million for the quarter was primarily invested in waste capitalization ($3.2m), the Tailings Storage Facility ("TSF") lift ($1.5m) and land compensation ($0.8m).

Nzema Gold Mine, Ghana

The following table summarizes the operating results of the Nzema Gold Mine for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
Operating Data:	2015	2014
Tonnes of ore mined (000's)	391	313
Average gold grade mined (grams/tonne)	1.69	2.05
Tonnes of ore milled (000's)	406	396
Average gold grade milled (grams/tonne)	2.40	2.75
Gold ounces produced[1]:	26,979	28,487
Gold ounces sold:	27,078	28,533
Realized gold price ($/ounce)	1,215	1,297
Cash cost per gold ounce sold ($/ounce)[2]	986	890
All-in sustaining costs per gold ounce sold ($/ounce)[2]	1,194	1,046
Sustaining capital (US dollars in thousands)[2]	3,719	2,380
Financial Data (US dollars in thousands)		
Revenues	32,912	37,016
Royalties	1,907	2,088
All-in sustaining margin[2]	584	7,170

[1] Includes purchased ore of 10,780 ounces for the three months ended March 31, 2015 and 10,023 ounces in the comparable period in 2014.
[2] Sustaining capital, all-in sustaining costs and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures.

Nzema experienced a challenging quarter which included throughput limitations due to the hardness of the ore feed from the Adamus pit and grade variances within the blocks mined. As with all mining operations in Ghana, power outages and mandatory load shedding were encountered during the quarter causing costs to increase. Mining during the first quarter was primarily from the Adamus and Akanko pits with a total of 391,458 tonnes of ore mined.

AISC for the quarter of $1,194 ended above the range of guidance of $1,000 to $1,050 per ounce as a result of the harder ore mined and associated challenges encountered with the processing plant. Nzema has not benefitted from the decrease in global crude oil prices as Ghana has recently introduced special fuel levies. Nzema has further been affected by up to one third of its normal power requirements foregone to power shedding and therefore its reliance on more costly on-site power generation has increased. The operating challenges however have been a top priority for the operations team with signs of improvement occurring by the end of the current quarter. Nzema generated $3.4 million of operating cash flow and $3.2 million of losses from mine operations.

Sustaining capital of $3.7 million for the quarter was primarily a result of waste capitalisation ($3.2m) and a TSF lift ($0.3m).

Tabakoto Gold Mine, Mali

The following table summarizes the operating results of the Tabakoto Gold Mine for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
Operating Data:	2015	2014
Tonnes of ore mined - Open pit (000's)	116	106
Average gold grade mined - Open pit (grams/tonne)	2.85	3.02
Tonnes of ore mined - Underground (000's)	278	121
Average gold grade mined - Underground (grams/tonne)	3.11	4.65
Tonnes of ore milled (000's)	389	350
Average gold grade milled (grams/tonne)	2.87	3.25
Gold ounces produced:	33,574	33,472
Gold ounces sold:	34,441	35,407
Realized gold price ($/ounce)	1,212	1,294
Cash cost per gold ounce sold ($/ounce)[1]	935	1,157
All-in sustaining costs per gold ounce sold ($/ounce)[1]	1,127	1,320
Sustaining capital (US dollars in thousands)[1]	4,099	3,022
Financial Data (US dollars in thousands)		
Revenues	41,731	45,807
Royalties	2,495	2,746
All-in sustaining margin[1]	2,918	(930)

[1] Sustaining capital, all-in sustaining costs and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures.

The Tabakoto complex includes the new Kofi C open pit, the Tabakoto underground mine, the Segala underground mine, and the Tabakoto mill. In the first quarter of 2015, Tabakoto's AISC of $1,127 per ounce decreased significantly from $1,373 per ounce in the fourth quarter of 2014 and $1,320 for the first quarter of 2014. The average guidance range for the year of $950 to $1,000 is comprised of higher AISC expected at the start of 2015, steadily decreasing through the fourth quarter as grades improve from all three sources of ore.

Tabakoto generated a positive sustaining margin of $2.9 million and $2.3 million of earnings from mine operations. Sustaining capital of $4.1 million for the quarter was primarily invested in underground development at Segala ($2.1m) and Tabakoto ($1.4m).

Kofi C Deposit

The new 38 km road reached the Kofi C deposit in November 2014 and pit development work and the construction of satellite infrastructure including a mine services centre was largely completed in the fourth quarter of 2014. In mid-January 2015, ore from the Kofi C open pit mine was first hauled to the Tabakoto run-of-mine pad for processing. The current quarter focused on finishing the pre-stripping with 2.3 million tonnes of material mined, 107,054 tonnes of which was ore at an average grade of 3.24 g/t. This ore source was the key driver to the improvement in AISC from the fourth quarter of 2014.

Tabakoto Underground Mine

The Tabakoto underground also contributed to the improvement in unit costs as the operations team successfully focused on reducing mining dilution and mining higher grades than in the fourth quarter of 2014. The Tabakoto underground teams have been focussing on improving mining quality which has resulted in an improvement of the stope bridges, which have hampered stoping operations. In 2014 a total of 46 stope bridges were recorded while in the first quarter of 2015 only one partial bridge was reported, which is an indicator that the mining quality improvements have had a positive impact. A total of 224,889 tonnes of material was mined from the Tabakoto underground mine, of which 147,070 tonnes was ore.

Segala Underground Mine

The underground operations team achieved improved grades from the new Segala underground mine in the current quarter versus the fourth quarter of 2014, but still short of the average grade expected later in the year as operational flexibility provides access to higher grade blocks. Additionally, overall production tonnage was down from the previous quarter, with just over 131,000 tonnes of ore mined versus 160,478 tonnes in the fourth quarter of 2014. The new underground cemented rock fill plant for this deposit was commissioned late in the current quarter and is expected to lead to a positive trend in improved gold production, productivity, and margins for the balance of 2015.

Tabakoto Exploration

During the first quarter of 2015, $0.8 million was spent on exploration at the Tabakoto complex with a total of 6,100 meters drilled which comprise the early stages of the 2015 exploration program. The exploration drilling started in February and early results are encouraging. Mineralization has been extended at depth and on strike on all the drilled targets. In addition to the drill program, a data compilation exercise has been completed on Tabakoto North, generating a new geological model which will be tested during the second quarter of 2015.

Youga Gold Mine, Burkina Faso

The following table summarizes the operating results of the Youga Gold Mine for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
Operating Data:	2015	2014
Tonnes of ore mined (000's)	293	327
Average gold grade mined (grams/tonne)	2.33	2.78
Tonnes of ore milled (000's)	247	251
Average gold grade milled (grams/tonne)	2.40	2.78
Gold ounces produced:	17,868	19,867
Gold ounces sold:	17,793	19,838
Realized gold price ($/ounce)	1,215	1,298
Cash cost per gold ounce sold ($/ounce)[1]	785	680
All-in sustaining costs per gold ounce sold ($/ounce)[1]	851	758
Sustaining capital (US dollars in thousands)[1]	284	315
Financial Data (US dollars in thousands)		
Revenues	21,616	25,740
Royalties	889	1,218
All-in sustaining margin[1]	6,480	10,703

[1] Sustaining capital, all-in sustaining costs and all-in sustaining margin are non-GAAP financial performance measures with no standard meaning under IFRS. Refer to the section Non-GAAP Measures

Youga delivered another solid quarter with reliable gold production and AISC of $851 per ounce, considerably below guidance of $975 - $1,025 per ounce. Preparations continue for the commencement of mining from the Zergoré pits in the second quarter of 2015. Youga generated $5.0 million of operating cash flow and $4.7 million of earnings from mine operations.

Sustaining capital of $0.3 million for the quarter was invested in a small variety of mine maintenance requirements.

DEVELOPMENT PROJECT REVIEW

Houndé Project, Burkina Faso, Pre-construction stage

On February 19, 2015, Endeavour announced an update to the year-end mineral reserves from the November 2013 Feasibility Study ("FS"). The Houndé Project now has 2.1 million ounces in Proven and Probable mineral reserves, an increase of 34% from the original FS due to the expansion of the Vindaloo deposit and inclusion of two new deposits, Bouéré and Dohoun, both located within 14 kilometres of the proposed plant site.

The Vindaloo deposits and proposed plant site are approximately 2.7 kilometres from a paved highway and as close as 100 metres to a 225 kV power line that extends from Côte d'Ivoire through to Ouagadougou, the capital of Burkina Faso. A rail line that extends to the port of Abidjan, Côte d'Ivoire, lies approximately 25 kilometres west of the deposit area. The project will benefit from Endeavour's experience operating the Youga Mine, also located in Burkina Faso, and the recent construction experience at the Agbaou Mine.

The highlights of the Houndé Project drilling and reserve and resource update include:

- Estimated average annual production of 190,000 ounces of gold per year over a 10 year mine life, with average annual production of 222,000 ounces expected over the first six years;
- Total Proven and Probable mineral reserve of 2.07 million ounces and life of mine production of 1.91 million ounces;
- An average 92.7% process recovery at a milling rate of 3.0 million tpa (nameplate) through a SAG/ball mill, gravity, CIL circuit;
- Owner operated open pit mining with reserves of 30.6 million tonnes grading 2.1 g/t Au;
- Initial start-up capital is estimated at $325 million (including full mining fleet, working capital, import duties and contingency);
- Forecast life of mine all-in sustaining cost of $714 per ounce;
- Based on a gold price of $1,250 per ounce, the project yields an after-tax;
    - Internal rate of return of 31.4%; and
    - Net present value of $359 million @ 5%.

The Houndé Project is situated in the southwestern region of Burkina Faso just south of Semafo's Mana mine and the property totals approximately 1,000 square kilometres. The nearby town of Houndé has a population of approximately 22,000 people. Ownership is currently 100%, however, at production Endeavour's ownership would decrease to 90% with the remaining 10% ownership held as a free carried interest by the Government of Burkina Faso.

With the mining permit received during February 2015, Houndé Project efforts in the current quarter were focused on engaging with local communities, forging and strengthening relationships with various levels of government, optimizing the construction plans, and review of financing alternatives. It is expected that the construction team can take advantage of softness in the mine construction services market that allow for progress to be made to position the project for a construction decision without significant outlays of capital.

QUARTERLY AND ANNUAL FINANCIAL AND OPERATING RESULTS

The following tables summarize the Corporation's financial and operational information for the last eight quarters and three fiscal years. The significant factors affecting results in the quarters presented below are volatility of realized gold prices, the commencement of operations at the Agbaou Mine in the first quarter of 2014, and non-cash impairments of mineral interests.

	For the three months ended:			
(US dollars in thousands except per share amounts)	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gold revenues	$ 152,065	$ 147,744	$ 145,223	$ 153,398
Gold ounces sold	124,850	123,354	114,082	118,653
Cash flows from operations	31,425	58,017	22,587	25,266
Earnings from mine operations	31,129	14,267	15,257	22,912
Net earnings (loss) and total comprehensive earnings (loss)	12,951	(340,157)	2,056	952
Net earnings (loss) attributable to shareholders of Endeavour Mining Corporation	9,045	(280,576)	1,859	40
Basic earnings (loss) per share	0.02	(0.68)	0.00	0.00
Diluted earnings (loss) per share	0.02	(0.68)	0.00	0.00

	For the three months ended:			
(US dollars in thousands except per share amounts)	March 31, 2014	December 31, 2013	September 30, 2013	June 30,[1] 2013
Gold revenues	$ 137,211	$ 104,232	$ 121,054	$ 101,104
Gold ounces sold	111,798	82,578	90,997	73,004
Cash flows from operations	21,746	(11,737)	25,116	(5,566)
Earnings (loss) from mine operations	23,461	(19,766)	7,235	1,787
Net earnings (loss) and total comprehensive earnings (loss)	8,953	(86,266)	(17,387)	(284,786)
Net earnings (loss) attributable to shareholders of Endeavour Mining Corporation	5,027	(74,719)	(15,266)	(257,609)
Basic earnings (loss) per share	0.01	(0.18)	(0.04)	(0.69)
Diluted earnings (loss) per share	0.01	(0.18)	(0.04)	(0.69)

[1] The cash flow includes approximately $8.5 million of gold proceeds (related to three lots from March production) received in the first few days of April 2013.

(US dollars in thousands except ounces)	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012
Gold Revenues	$ 583,576	$ 443,314	$ 365,318
Gold ounces sold	467,887	318,505	218,887
Cash flows from operations	127,478	43,384	34,876
Earnings from mine operations	75,897	11,136	94,850
Net earnings (loss) and total comprehensive earnings (loss)	(328,200)	(371,715)	(8,556)
Net earnings (loss) attributable to shareholders	(273,650)	(332,456)	(15,486)
Basic earnings (loss) per share	(0.66)	(0.81)	(0.06)
Diluted earnings (loss) per share	(0.66)	(0.81)	(0.06)
Total assets	963,875	1,273,993	1,726,124
Total long term financial liabilities	343,468	327,411	310,600
Total attributable shareholders' equity	464,352	737,057	1,062,439

Three months ended March 31, 2015 compared to the three months ended March 31, 2014

Net earnings attributable to shareholders were $9.0 million, or $0.02 per share, compared to $5.0 million, or $0.01 per share, in the same period in 2014, attributable to the following components:

- Revenue for the first quarter of 2015 increased by $14.9 million to $152.1 million from $137.2 million in the same period in 2014. The increase was a result of higher gold sales compared to the prior year. Gold ounces sold increased from 111,798 ounces in 2014 to 124,850 ounces for the first quarter of 2015. The realized price of gold per ounce for the first quarter of 2015 was $1,218 compared to $1,299 per ounce in the same period in 2013.

- Operating expenses for the first quarter of 2015 increased by $5.0 million to $94.2 million predominantly due to the inclusion of Agbaou for a full quarter in 2015 in comparison with the same period in the prior year where commercial production was only achieved on January 27, 2014.

- Depreciation and depletion for the first quarter of 2015 was $19.5 million compared to $17.4 million for the same prior year period in 2014, increased largely due to the additional production at Agbaou.

- Earnings from mine operations for the first quarter of 2015 were $31.1 million compared to $23.5 million for the same period in 2014. This variance was predominantly driven by the Agbaou operations and the additional ounces contributed at a lower operational cost in the current reporting period.

- Corporate costs for the first quarter of 2015 were $4.0 million compared to $5.4 million for the same period in 2014.

- Gains on financial instruments for the first quarter of 2015 were $2.6 million compared to losses of $9.3 million for the same period in 2014.

- Finance costs for the first quarter of 2015 were $7.8 million compared to $6.7 million for the same period in 2014 primarily as a result of the additional interest incurred on the revised revolving credit facility.

- Other income for the first quarter of 2015 was $0.2 million compared to $1.2 million for the same period in 2014.

- The current income and other tax expense for the first quarter of 2015 was $1.7 million compared to $2.3 million for the same period in 2014. Deferred income tax expense for the first quarter of 2015 was $5.6 million compared to an $8.6 million recovery for the same period in 2014.

LIQUIDITY AND CAPITAL RESOURCES

On July 24, 2013, the Corporation signed a $350 million amended senior secured revolving corporate loan facility (the "Facility") with UniCredit Bank AG, BNP Paribas, ING Bank NV, Société Générale and Deutsche Bank AG. With the completion of the Agbaou construction and commercial start up, the full $350 million is available for general corporate purposes, with $300 million of the Facility drawn as of March 31, 2015. The Facility is secured by shares of Endeavour's material gold mining subsidiaries and certain material assets of those subsidiaries.

On March 10, 2015, the Corporation renewed its Facility with UniCredit Bank AG, BNP Paribas, ING Bank NV, Société Générale and Investec Bank Plc. The renewed Facility has a new maturity date of March 2020 and key terms including:

- Maturity date is five years from signing, March 9, 2020, and the available Facility amount declines with four equal semi-annual reductions of $87.5 million commencing September 2018;
- The Facility includes standard corporate financial covenants, including:
    - Interest Cover shall not be less than 3 to 1, calculated on a rolling 12 month basis;
    - Net Debt to EBITDA shall not exceed 3.5 times, calculated on a rolling 12 month basis;
    - Minimum Tangible Net Worth shall not be less than US$350 million.
- Interest is based on LIBOR plus a margin ranging between 3.75% and 5.75% per annum (sliding scale based on the actual Net Debt to EBITDA ratio).

At March 31, 2015, Endeavour had cash of $56.4 million (December 31, 2014 – $62.2 million). In addition, at March 31, 2015, Endeavour held $0.8 million of marketable securities (December 31, 2014 – $0.8 million) and $4.8 million in restricted cash (December 31, 2014 – $4.5 million). Total working capital as at March 31, 2015 was $47.0 million (December 31, 2014 - $42.8 million). The decrease in cash in the current period was affected by the payment of finance fees of $5.4 million associated with the renewal of the facility as well the repayment to a bank of $9.7 million associated with the factoring of certain VAT receivables in 2014.

As a result of the successful performance throughout the current quarter ended March 31, 2015, the Corporation made a principal payment of $20.0 million on April 30, 2015 to reduce the drawn amount on the Facility to $280.0 million. The Facility thus provides $70.0 million of additional liquidity.

Net change in cash position in the current quarter from December 31, 2014, was a reduction of $5.8 million, attributable to the following components of the consolidated cash flow statement:

- Operating activities generated $31.4 million in comparison to $21.7 million generated in the same period of the previous year primarily due to strong operating mine cash flows from Agbaou and Youga. In the current quarter, timing induced changes in working capital balances generated an outflow $10.4 million of cash versus $8.9 million in the first quarter of 2014.

- Investing activities used $25.4 million in comparison with $26.4 million used in the same period of the previous year. The current period outflow consisted primarily of $15.6 million of sustaining capital including sustaining exploration, and $9.4 million of non-sustaining investments. The increased sustaining capital period over period is a result in higher rates of capitalized waste and the normal course timing of planned mine capital investments. In the comparable period, the primary investment of $19.1 million related non-sustaining capital at Tabakoto.

- Financing activities used cash of $12.7 million in comparison to $0.9 million in the prior comparable period, with the current period including the payment of the refinancing fees and the timing of the payment of interest on the Facility.

In the opinion of management, Endeavour's cash position and working capital at March 31, 2015, together with anticipated cash flows from operations, are sufficient to support the Corporation's on-going operational requirements, planned sustaining investments, and commitments.

FINANCIAL INSTRUMENTS

With the acquisition of the Nzema and Tabakoto mines by way of acquisitions of Adamus Resources and Avion Gold, Endeavour inherited several hedge programs which have been reduced, amended and settled in the periods subsequent to the acquisitions. As at March 31, 2015, 55,935 ounces (23,772 in 2015 and 32,163 in 2016) of gold forward contracts remain outstanding with a fair value of the liability at $8.1 million (December 31, 2014 - $9.3million), arising from contracted net proceeds to be received of $1,032 per ounce. Additionally, at March 31, 2015, 3,033 ounces of gold call options with a strike price of $900 remain outstanding with a fair value of $0.8 million (December 31, 2014 - $1.7 million). The settlements of the calls and forward contracts are in cash as there is no exchange of physical gold between the Corporation and the buyer. During the quarter ended March 31, 2015, the Corporation settled 11,261 ounces of gold under these programs and its net loss on derivative financial instruments was $0.4 million.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table summarizes the contractual maturities of the Corporation's financial liabilities at December 31, 2015:

	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	$ 112,278	$ -	$ -	$ -	$ 112,278
Long-term debt	-	-	230,000	70,000	300,000
Finance lease obligations	4,315	11,460	-	-	15,775
Minimum operating lease payments	1,194	1,860	1,767	221	5,042
Derivative financial liabilities	5,905	3,076	-	-	8,981
	$ 123,692	$ 16,396	$ 231,767	$ 70,221	$ 442,076

The Corporation has commitments in place at its operations for drill and blasting services, load and haul services, and the supply of explosives and hydrocarbon services with varying terms, and is subject to operating and finance lease commitments in connection with the purchase of mining equipment, light duty vehicles, operational building facilities and rented office premises. Additionally, the Corporation has at times contracts in place at the Nzema mine to purchase higher grade ore from third parties. The above table does not include the Corporation's environmental rehabilitation provision which is in place at each of the operating mines, the majority of which is expected to be incurred concurrent with the end of mining operations at each of the mines.

On March 7, 2014, the Corporation's Malian subsidiary entered into a five year, $18 million equipment lease financing facility. The equipment lease was used to purchase a portion of the owner-operated mining equipment for the Tabakoto and Segala underground developments. The lease terms have a fixed rate of 9.5% per annum to amortize the principal and there exists a purchase option to buy the equipment outright at the end of the lease life for 0.5% of cost. The equipment lease is treated as a finance lease.

CONTINGENCIES

The Corporation is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Corporation cannot reasonably predict the likelihood or outcome of these actions. The Corporation does not believe that adverse decisions in any other pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reason thereof, will have a material effect on the financial condition or future results of operations.

The Corporation's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Corporation believes its operations are materially in compliance with all applicable laws and regulations. The Corporation has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Corporation operates in numerous countries and, accordingly, it is subject to, and pays annual income taxes under, the various income tax regimes in the countries in which it operates. From time to time the Corporation is subject to a review of its income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Corporation's business conducted within the country involved. If the Corporation is unable to resolve any of these matters favorably, there may be a material adverse impact on the Corporation's financial performance, cash flows or results of operations. In the event that management's estimate of the future resolution of these matters changes, the Corporation will recognize the effects of the changes in its consolidated financial statements in the period that such changes occur.

In the fourth quarter of 2014, the Corporation's Malian subsidiary, Segala Mining Corporation SA ("Semico"), received a tax assessment from the Malian tax authority of $40.6 million related to the fiscal years 2011 to 2013 and related to various taxes. The Corporation and its advisors believe that a significant portion of the assessment's tax claims are wholly without merit and as such have engaged with the tax authority actively since receiving the assessment in the fourth quarter of 2014 to resolve this matter. Subsequent to December 31, 2014, on February 13, 2015, the tax authority re-confirmed the amounts owing as a result of the assessments at approximately $25 million. The Corporation continues to engage with the highest levels of Malian authorities together with its advisors to resolve this matter and given the response presented to the authorities as well as advice received from its advisors, a vigorous process is underway to refute the notified amounts as well as avoid any additional payments.

If the Corporation is unable to resolve these matters favorably, there may be a material adverse impact on the Corporation's financial performance, cash flows and results of operations. In the event that management's estimate of the future resolution of these matters changes, the Corporation will recognize the effects of the changes in its consolidated financial statements in the period that such changes occur.

OUTSTANDING SHARE DATA

Endeavour's authorized capital is $20,000,000 divided into 1,000,000,000 ordinary shares with a par value of $0.01 each and 1,000,000,000 undesignated shares; no undesignated shares have been issued. The table below summarizes Endeavour's share structure at March 31, 2015.

Shares issued and outstanding	413,143,668
Stock options	30,796,868

As at May 1, 2015, the date of this MD&A, the Corporation has 413,143,668 shares issued and outstanding, as well as 30,796,868 stock options outstanding.

The following table summarizes share option details outstanding as at March 31, 2015:

Exercise Prices (C$)	Outstanding	Exercisable	Weighted average exercise price (C$)	Weighted average remaining contractual life
$0.61-$0.81	7,286,000	300,001	$ 0.81	4.11 years
$0.82 - $1.50	6,718,260	463,260	1.36	2.35 years
$1.51 - $2.00	4,850,850	4,850,850	1.57	1.53 years
$2.01 - $2.50	4,109,503	4,109,503	2.28	2.74 years
$2.51 - $3.00	5,529,312	5,529,312	2.67	1.51 years
$3.51 - $4.00	80,300	80,300	3.70	1.12 years
$4.01 - $44.96	2,222,643	2,222,643	5.00	1.22 years
	30,796,868	17,555,869	$ 2.51	1.83 years

NON-GAAP MEASURES

All-in sustaining margin and operating EBITDA

The Corporation believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use the all-in sustaining margin and operating earnings before interest, tax, depreciation and amortization ("operating EBITDA") to evaluate the Corporation's performance and ability to generate cash flows and service debt. Accordingly, these do not have a standard meaning and it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

The following tables provide the illustration of the calculation of this margin and operating EBITDA, as adjusted and calculated by the Corporation, for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
	2015	2014
(US dollars in thousands)		
Revenues	$ 152,065	$ 137,211
Less: royalties	(7,241)	(7,158)
Less: cash costs of ounces sold (see table that follows)	(91,357)	(92,856)
Less: corporate G&A	(3,983)	(5,395)
Subtotal	49,484	31,802
Less: sustaining capital (see table that follows)	(13,953)	(5,769)
Less: sustaining exploration	(1,600)	(763)
All-in sustaining margin	$ 33,931	$ 25,270

	Three months ended March 31,	
	2015	2014
(US dollars in thousands)		
Earnings(loss) before tax[1]	$ 20,289	$ 2,645
Add back: Depreciation and depletion[1,2]	19,451	17,382
Add back: Finance costs[1]	7,835	6,727
Add back: (Gains) losses on financial instruments[1]	(2,642)	9,336
Operating EBITDA	$ 44,933	$ 36,090

[1]As found on the unaudited interim consolidated statement of comprehensive income.
[2]Sum of depreciation, depletion and impairment of mining interests as found on the consolidated statement of comprehensive income.

Cash cost per ounce of gold sold

The Corporation reports cash costs on the basis of ounces sold. In the gold mining industry these are common performance measures but do not have any standardized meanings. The Corporation follows the recommendation of the Gold Institute Production Cost Standard. The Corporation believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Corporation's performance and ability to generate cash flows. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

The following table provides a reconciliation of cash costs per ounce of gold sold (including the ounces sold from ore purchased), for the three months ended March 31, 2015 and 2014:

	Three months ended March 31,	
	2015	2014
(US dollars in thousands except ounces sold)		
Operating expenses from mine operations	$ 94,244	$ 89,210
Non-cash adjustments included in operating expenses	(2,888)	3,646
Cash cost	91,357	92,856
Divided by ounces of gold sold	124,850	105,666
Total cash cost per ounce of gold sold	$ 732	$ 879

All-in sustaining costs

The Corporation is reporting all-in sustaining costs per ounce sold. The methodology for calculating all-in sustaining costs per ounce was developed internally and is calculated below, and readers should be aware that this measure does not have a standardized meaning. This non-GAAP measure provides investors with transparency to the total period-attributable cash cost of producing an ounce of gold, and may aid in the comparison with other gold mining peers. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

	Three months ended March 31,	
	2015	2014
(US dollars in thousands except ounces)		
Cash cost for ounces sold	$ 91,357	$ 92,856
Royalties	7,241	7,158
Corporate G&A	3,983	5,395
Sustaining capital	13,953	5,769
Sustaining exploration	1,600	763
All-in sustaining costs	118,134	111,941
Divided by gold ounces sold	124,850	105,666
All-in sustaining cost per ounce sold	$ 946	$ 1,059

		Three months ended March 31,	
		2015	2014
(US dollars in thousands)			
Expenditures and prepayments on mining interests	$	24,933	$ 26,365
Non-sustaining capital at Tabakoto, Nzema and Agbaou		(8,314)	(19,126)
Sustaining exploration		(1,600)	(763)
Project capital spend at Houndé		(1,066)	(707)
Sustaining Capital		**13,953**	**5,769**

The $8.3 million of non-sustaining investments primarily relates to Kofi and other Tabakoto 2014 carry over capital as well as non-sustaining exploration. Capital of $1.1 million was also spent on the Houndé Project in the first quarter and $1.6 million was incurred in ongoing resource conversion considered sustaining exploration.

Adjusted net earnings and adjusted net earnings per share

Adjusted net earnings and adjusted net earnings per share are financial measures with no standard meaning under IFRS. Net earnings have been adjusted for items considered exceptional in nature and not related to Endeavour's core operating of mining assets and Endeavour uses this measure for its own internal purposes. The presentation of adjusted net earnings may enable investors and analysts to better understand the underlying operating performance of our core mining business through the eyes of management. Management periodically evaluates the components of adjusted net earnings based on an internal assessment of performance measures that are useful for evaluating the operating performance of our business and a review of the non-GAAP measures used by mining industry analysts and other mining companies. The following items are excluded from net earnings:

- Gain / loss on financial instruments;
- Imputed interest on promissory note;
- Gains / losses on foreign currency;
- Other income;
- Stock-based payments; and
- Deferred income taxes

Adjusted net earnings are intended to provide additional information only and do not have any standardized definition under IFRS; they should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently.

The following table reconciles these non-GAAP measures to the most directly comparable IFRS measure.

Adjusted Net Earnings

(US dollars in millions except per share and share amounts)	Three months ended March 31, 2015	2014
Net earnings and total comprehensive earnings	**$ 13.0**	**$ 9.0**
Loss on derivative instruments,marketable securities and interest	0.6	10.3
Imputed interest on promissory note	(0.2)	(0.5)
Gain on foreign currency	(3.0)	(0.5)
Other income	(0.2)	(1.2)
Stock-based payments	1.1	0.2
Deferred income tax expense (recovery)	5.6	(8.6)
Adjusted net earnings after tax	**$ 16.9**	**$ 8.7**
Attributable to non-controlling interests	**$ 2.4**	**$ 1.2**
Attributable to shareholders of the Corporation	**$ 14.5**	**$ 7.5**
Weighted average number of outstanding shares	413,046,943	413,046,943
Adjusted net earnings per share (basic)	**0.04**	**0.02**

HEALTH, SAFETY AND CORPORATE SOCIAL RESPONSIBILITY

Endeavour emphasises employee and affected stakeholders' health and safety and puts the highest priority on safe, healthy and environmentally sound work practices and systems. The Corporation's values and business principles on safety and health underpin its safety and health policy and represent the minimum guidelines for the Corporation and its employees in this respect. The Corporation has a Zero Harm policy which is applied at all sites, and continuous efforts are made to reduce the lost time injury frequency rate ("LTIFR") at all the operations. The following table shows the safety statistics for the most recent full year period, 2014.

2014 Statistics

Incident Category	Tabakoto	Agbaou	Nzema	Youga	Total
Fatality	0	0	0	0	0
Lost Time Injury (LTI)	2	0	3	1	6
Total Man Hours	**3,828,570**	**1,885,157**	**3,053,794**	**1,516,320**	**10,283,841**
LTIFR[1]	0.52	0.00	0.98	0.66	0.58

[1] Lost Time Injury Frequency Rate= (Number of LTIs in the Period X 1,000,000)/ (Total man hours worked for the period)

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 scholarships, healthcare, water and sanitation, public infrastructure maintenance, institutional capacity building and livelihood programs.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Corporation's management has made critical judgments and estimates in the process of applying the Corporation's accounting policies to the consolidated financial statements that have significant effect on the amounts recognized in the Corporation's consolidated financial statements. The most critical accounting policies follow:

(a) Commencement of commercial production

Prior to a mine being capable of operating at levels intended by management, costs incurred are capitalized as part of the costs of related mining properties and proceeds from mineral sales are offset against costs capitalized. The Corporation defines the commencement of commercial production as the date that a mine has achieved a consistent level of production. Management considers several factors in determining when a mining interest is capable of operating at levels intended by management. Depletion of capitalized costs for mining properties begins when the mine is capable of operating at levels intended by management. Commercial production at the Agbaou Mine was declared on January 27, 2015 (accounting for commercial production commenced on February 1, 2015).

(b) Determination of economic viability

Management has determined that exploratory drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

(c) Functional currency

The functional currency for each of the Corporation's subsidiaries, and investments in associates, is the currency of the primary economic environment in which the entity operates. The Corporation has determined the functional currency of each entity is the US dollar. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Corporation reconsiders functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

(d) Business combinations

Determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Corporation to make certain judgements, taking into account all facts and circumstances. If an acquired set of assets and liabilities includes goodwill, the set is presumed to be a business.

(e) Capitalization of waste stripping

Capitalization of waste stripping requires the Corporation to make judgments and estimates in determining the amounts to be capitalized. These judgments and estimates include and rely on the expected stripping ratio for each separate open pit, the determination of what defines separate pits, and the expected ounces to be extracted from each component of a pit, amongst others.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Corporation has not early adopted the following new and revised Standards, Amendments and Interpretations that have been issued but are not yet effective. The Corporation is currently assessing the impact they will have on the consolidated financial statements.

- *IFRS 15, Revenue from Contracts with Customers:* IFRS 15 introduces a new framework for determining the nature, amount, timing and uncertainty of revenues and cash flows arising from a contract with a customer. The standard is effective for annual period beginning on or after January 1, 2017, with early adoption permitted. The Corporation is currently evaluating the potential impact of the new standard on its consolidated financial statements.

- *IFRS 9, Financial Instrument*s: IFRS 9 introduces the new requirements for the classification, measurement and de-recognition of financial assets and financial liabilities. Specifically, IFRS 9 requires all recognized financial assets that are within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* to be subsequently measured at amortized cost or fair value, and all financial liabilities classified as subsequently measured at amortized cost except for financial liabilities measured at fair value through profit and loss. In July 2014, the IASB issued the final version of *IFRS 9 Financial Instruments* bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace *IAS 39 Financial Instruments: Recognition and Measurement.* The mandatory effective date of IFRS 9 would be annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently assessing the impact of adopting IFRS 9 on its consolidated financial statements.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of consolidated financial statements in conformity with IFRS requires the Corporation's management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Corporation's assets and liabilities are as follows:

(a) Value Added Tax ("VAT")

Included in trade and other receivables are recoverable VAT balances owing by the fiscal authorities in Burkina Faso, Ghana, Cote d' Ivoire, and Mali. The Corporation is following the relevant process in each country to recoup the VAT balances owing and continues to engage with authorities to accelerate the repayment of the outstanding VAT balances.

(b) Impairment of mining interests and goodwill

The Corporation considers both external and internal sources of information in assessing whether there are any indications that mining interests and goodwill are impaired. External sources of information the Corporation considers include changes in the market, economic and legal environment in which the Corporation operates that are not within its control and affect the recoverable amount of mining interests and goodwill. Internal sources of information the Corporation considers include the manner in which mining properties and plant and equipment are being used or are expected to be used and indications of economic performance of the assets.

In determining the recoverable amounts of the Corporation's mining interests and goodwill, the Corporation's management makes estimates of the discounted future cash flows expected to be derived from the Corporation's mining properties, costs to sell the mining properties and the appropriate discount rate. The projected cash flows are significantly affected by changes in assumptions about gold's selling price, future capital expenditures, reductions in the amount of recoverable reserves, resources, and exploration potential, production cost estimates, discount rates and exchange rates. Reductions in gold price forecasts, increases in estimated future costs of production, increases in estimated future non-expansionary capital expenditures, reductions in the amount of recoverable reserves, resources, and exploration potential, and/or adverse current economics can result in a write-down of the carrying amounts of the Corporation's mining interests and/or goodwill. These factors moving in the opposite direction could result in full or partial reversals of previous write-downs to mining interests.

(c) *Estimated recoverable ounces*

The carrying amounts of the Corporation's mining interests are depleted based on recoverable ounces. Changes to estimates of recoverable ounces and depletable costs including changes from revisions to the Corporation's mine plans and changes in gold price forecasts can results in a change to future depletion rates.

(d) *Mineral reserves*

Mineral reserves and mineral resources are determined in accordance with Canadian Securities Administrator's national Instrument *43-101* Standards of Disclosure *for Mineral Projects.* Mineral reserve and resource estimates included numerous estimates. Such estimation is a subjective process, and the accuracy of any mineral reserve or resource estimate is a dependent on the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions including economic assumptions such as gold prices and market conditions could have a material effect in the future on the Corporation's financial position and results of operation.

(e) *Environmental rehabilitation costs*

The provisions for rehabilitation of mine and project sites and the related accretion expense are based on the expected costs of environmental rehabilitation and inputs used to determine the present value of such provisions using the information available at the reporting date. To the extent the actual costs differ from these estimates, adjustments will be recorded and the profit or loss may be impacted.

(f) *Deferred income taxes*

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Forecasted cash flows from operations are based on life of mine projections internally developed and reviewed by management. Weight is attached to tax planning opportunities that are within the Corporation's control, and are feasible and implementable without significant obstacles. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. At the end of each reporting period, the Corporation reassesses unrecognized and recognized income tax assets.

(g) *Share-based payments*

Significant assumptions are made when accounting for share-based payments. Changes to these assumptions may alter the resulting accounting and ultimately the amount charged to profit or loss.

(h) *Contingencies*

Due to the nature and complexity of the Corporation's operations, various legal and tax matters are ongoing at any given time. In the event that the circumstances surrounding these matters change or the Corporation's outlook for the outcomes of these matters changes, the effects will be recognized in the consolidated financial statements.

RISK FACTORS

Readers of this Management's Discussion and Analysis should give careful consideration to the information included or incorporated by reference in this document and the Corporation's audited consolidated financial statements and related notes for the year ended December 31, 2015. Significant risk factors for the Corporation are metal prices, government regulations, foreign operations, environmental compliance, dependence on management, title to the Corporation's mineral properties and litigation. For further details of risk factors, please refer to the most recent Annual Information Form filed on SEDAR at http://www.sedar.com/, the 2015 year-end audited consolidated financial statements, and the below discussions.

OPERATIONAL RISKS

a) *Political Risks*

The majority of Endeavour's assets are located in West Africa. Endeavour believes that the governments of the countries that the Corporation holds assets in support the development of their natural resources by foreign companies. There is no assurance however that future political and economic conditions of these countries will not 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. There is also a risk of limitations being placed on the ability to repatriate funds.

b) *Mineral Legislation*

Mineral reserve and mineral resource estimates are imprecise and depend partially on statistical inference drawn from drilling and other data, which may prove to be unreliable. Estimates, which were valid when made, may change significantly upon new information becoming available. In addition, the estimates depend to some extent on interpretations, which may prove to be inaccurate. Mineral reserves are reported as general indicators of mine life. Reserves should not be interpreted as assurances of mine life or of the profitability of current or future production. 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. Mining reserves depleted by production must be continually replaced to maintain production levels over the long term. There is no assurance that current or future exploration programs will result in any new commercial mining operations or yield new reserves to replace or expand current reserves.

c) *Outside Contractor Risks*

It is common for certain aspects of mining operations, such as drilling, blasting and hauling to be conducted by an outside contractor. The mining operations at the Youga Gold Mine, the Nzema Gold Mine and the Agbaou Gold Mine are undertaken by contactors and as a result, the Corporation is subject to a number of risks, including reduced control over the aspects of the operations that are the responsibility of the contractor, failure of a contractor to perform under its agreement with the companies, inability to replace the contractor if either party terminates the contract, interruption of operations in the event the contractor ceases operations due to 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 labour unrest or other employment issues.

FINANCIAL AND RELATED RISKS

The Corporation's activities expose it to a variety of risks that may include currency risk, credit risk, liquidity risk, interest rate risk and other price risks, including equity price risk. The Corporation examines the various financial instrument risks to which it is exposed and assesses any impact and likelihood of those risks.

(i) *Credit risk*

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Corporation by failing to discharge its obligations. There has been no change in the Corporation's objectives and policies for managing this risk in the three months ended March 31, 2015.

The Corporation's maximum exposure to credit risk is as follows:

	March 31, 2015	December 31, 2014
Cash	$ 56,404	$ 62,179
Cash - restricted	4,813	4,517
Trade and other receivables	17,177	21,530
Other assets	8,808	8,172
	$ 87,202	$ 96,398

(ii) *Liquidity risk*

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Corporation has a planning and budgeting process in place to help determine the funds required to support the Corporation's normal operating requirements.

(iii) *Currency risk*

Currency risk relates to the risk that the fair values or future cash flows of the Corporation's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations may affect the costs that the Corporation incurs in its operations. There has been no change in the Corporation's objectives and policies for managing this risk during the three months ended March 31, 2015.

The Corporation has not hedged its exposure to foreign currency exchange risk.

The table below highlights the net assets denominated in foreign currencies:

	March 31, 2015	December 31, 2014
Canadian dollar	$ (350)	$ 1,111
CFA Francs	12,390	(6,451)
Other currencies	2,414	4,046
	$ 14,454	$ (1,294)

(iv) *Interest rate risk*

Interest rate risk is the risk that future cash flows from, or the fair values of, the Corporation's financial instruments will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk primarily on its long-term debt. Since marketable securities and government treasury securities held as loans are short term in nature and are usually held to maturity, there is minimal fair value sensitivity to changes in interest rates,. The Corporation continually monitors its exposure to interest rates and is comfortable with its exposure given the relatively low short-term US interest rates and LIBOR.

(v) *Price risk*

Price risk is the risk that future cash flows primarily from gold sales, or the fair value of the Corporation's financial instruments, will fluctuate because of changes in market prices. Profitability of the Corporation depends on metal prices, primarily gold. Metal prices are affected by numerous factors such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the US dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major producing countries throughout the world.

The Corporation is exposed to other price risk including equity price risk in trading its marketable securities and unfavorable market conditions could result in dispositions of marketable securities at less than favorable prices. Additionally, the Corporation marks its investments to market at each reporting period. This process could result in write-downs of the Corporation's investments over one or more reporting periods, particularly during periods of declining resource equity markets.

CONTROLS AND PROCEDURES

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). Additionally, these controls and procedures provide reasonable assurance that information required to be disclosed in the Corporation's annual and interim filings (as such terms are defined under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) and other reports filed or submitted under Canadian securities law is recorded, processed, summarized and reported within the time periods specified by those laws, and that material information is accumulated and communicated to management including the CEO and CFO as appropriate to allow timely decisions regarding required disclosure.

As at the end of and for the year ended December 31, 2014, management evaluated the design and operating effectiveness of the Corporation's disclosure controls and procedures as required by Canadian Securities Law. Based on that evaluation, the CEO and CFO concluded that as of December 31, 2014, the disclosure controls and procedures were effective.

Internal controls over financial reporting

The Corporation's management, with the participation of its CEO and CFO, is responsible for establishing and maintaining adequate internal controls over financial reporting. Under the supervision of the CFO, the Corporation's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. As at December 31, 2014, management evaluated the effectiveness of the Corporation's internal control over financial reporting as required by Canadian securities laws.

Based on that evaluation, the CEO and CFO have concluded that, as at December 31, 2014, the internal controls over financial reporting were effective and able to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There have been no material changes in the Corporation's internal controls over financial reporting since the year ended December 31, 2014 that have materially affected, or are reasonably likely to materially affect, the Corporation's internal controls over financial reporting.

Additional information relating to the Corporation is available on the Corporation's web site at www.endeavourmining.com and in the Corporation's Annual Information Form for the year ended December 31, 2014 on SEDAR at www.sedar.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A and certain information incorporated herein by reference constitute forward-looking statements. Forward-looking statements include, but are not limited to, statements with respect to the Corporation's plans or future financial or operating performance, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, 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, realization of unused tax benefits and 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" 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.

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 the Corporation operates, actual resolutions of legal and tax matters, as well as those factors discussed in the section entitled "Description of the Business – Risk Factors" in Endeavour's most recent Annual Information Form available on SEDAR at www.sedar.com. 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. The Corporation's management reviews periodically information reflected in forward-looking statements. The Corporation has and continues to disclose in its Management's Discussion and Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur.

CAUTIONARY NOTE REGARDING RESERVES AND RESOURCES

Readers should refer to the most recent Annual Information Form of Endeavour and other continuous disclosure documents filed by Endeavour available at www.sedar.com, for further information on mineral reserves and resources, which is subject to the qualifications and notes set forth therein.