## ENDEAVOUR MINING CORPORATION

**Management's Discussion and Analysis of**
**Results of Operations and Financial Condition**
**For the three and nine months ended September 30, 2015**

*This Management's Discussion and Analysis ("MD&A") should be read in conjunction with Endeavour Mining Corporation's ("Endeavour Mining" or the "Corporation") unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2015 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS").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 November 13, 2015. Additional information relating to the Corporation, including the Corporation's Annual Information Form, is available on SEDAR at www.sedar.com.*

## OVERVIEW

Endeavour Mining is a Canadian listed intermediate gold producer with four operating mines in West Africa, currently producing at a combined rate of over 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 permitted Houndé Gold Project in Burkina Faso. For the three months ended September 30, 2015, we achieved gold production of 124,893 ounces with an operating EBITDA[1] of $36.3 million.

On September 21, 2015, Endeavour announced that it had entered into a long term strategic partnership with La Mancha Holding S.àr.l., a privately-held gold investment company controlled by the Sawiris family. As part of the agreement, Endeavour Mining will acquire La Mancha's indirect 55% interest in the Ity Gold Mine in Côte d'Ivoire, plus various regional exploration properties, the feasibility study stage Ity CIL project, and La Mancha will also contribute $63 million cash with the acquired businesses. The Ity mine is expected to produce approximately 80,000 from the current heap leach operation, bringing Endeavour's combined rate of production from approximately 500,000 to approximately 580,000 ounces per year. With the completion of the transaction, La Mancha will be issued new Endeavour Mining shares representing 30% of the enlarged share capital. The long term strategic partnership was approved by shareholders on November 5, 2015 with 93.4% voting in support, and it is now only subject to certain final closing conditions.

As of December 31, 2014, our mines and projects had Proven and Probable Mineral Reserves ("2P reserves") totaling approximately 4.5 million ounces. The La Mancha transaction will add significantly to Endeavour's reserve base, with 55% attributable to Endeavour of 1.6 million ounces of 2P reserves and 55% of 2.9 million ounces of Measured & Indicated Resources. Endeavour Mining'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). Endeavour Mining is currently in the process of requesting approval from the ASX Limited for its removal from the official list of the Australian Securities Exchange.

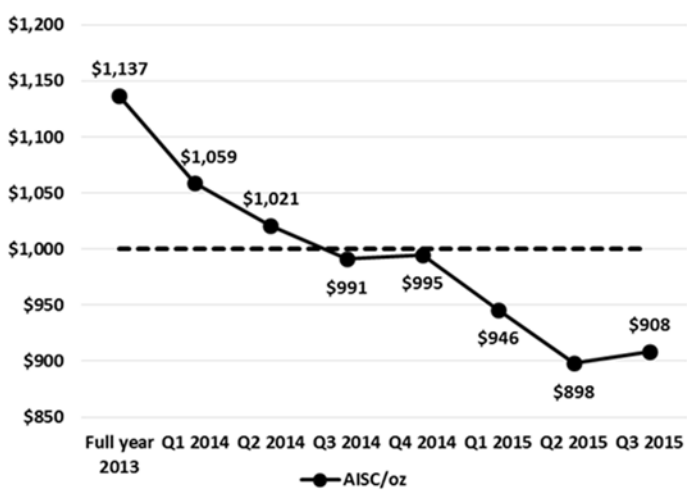
[1] AISC, all-in sustaining costs at the mine level, cash costs, operating EBITDA, all-in sustaining margin, free cash flow and adjusted earnings are non-GAAP financial performance measures with no standard meaning under IFRS, further discussed in the section Non-GAAP Measures. Throughout this MD&A,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

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


[1] Endeavour is acquiring the 55% interest of the Ity Mine as part of the strategic partnership with the Sawiris family.

In 2015, Endeavour Mining has shifted from two years of executing a capital intensive strategy of optimizing our existing mines and building a new, longer life and higher margin operation, to maximizing cash flow and reducing net debt on our balance sheet. The Corporation's primary focus is on our loan repayment objectives and preparing for the construction decision at Houndé.

Endeavour Mining has made substantial progress in optimizing the performance of its mines, as demonstrated by the 20% decline in all in sustaining cost per ounce sold ("AISC") since 2013. AISC of $908 for the current quarter demonstrates continued significant improvements in our operations as well as the benefit of the decline of crude oil prices and favourable exchange rates. The Corporation is on track to meet its stated 2015 goal of achieving and maintaining AISC in the full year guidance of $930 - $980 per gold ounce sold.



For the nine months ended September 30, 2015, gold production of 379,802 ounces at an AISC of $917 generated an AISC margin of $98.2 million at a realized gold price of $1,178. Non-sustaining capital and exploration of $25.7 million leaves free cash flow before tax and financing fees at 72.5% of full year guidance.

| | Actual Nine-months to Sept 30, 2015 | Full year 2015 Guidance range Mid-point |
|---|---|---|
| Gold production (ounces) | 379,802 | 487,500 |
| Gold sold (ounces) | 377,468 | 487,500 |
| Gold price (US$/oz) | $1,178 | $1,200 |
| | US$ M | US$ M |
| Revenue | $444.5 | $585 |
| Less: AISC costs | 346.3 | 465 |
| AISC Margin | 98.2 | 120 |
| Less: Non-sustaining capital & exploration | 25.7 | 20 |
| Free cash flow (before tax & financing costs) | $72.5 | $100 |

In July 2015, the Corporation continued its debt reduction program with a second $20.0 million voluntary repayment following $20.0 million repaid in April 2015. The Corporation's undrawn portion of the credit facility is $90.0 million, which remains fully available for general corporate purposes.

Endeavour Mining continues to evaluate organic and strategic growth opportunities that will benefit from our management and operational expertise. As mentioned previously, on September 21, 2015, Endeavour announced that it had entered into a long term strategic partnership with La Mancha Holding S.àr.l., a privately-held gold investment company controlled by the Sawiris family, which is in line with this strategic growth objective. Endeavour's new strategic partner has also expressed an in-principle commitment to invest up to $75 million in additional funds to support Endeavour Mining's growth.

The fully permitted Houndé Gold Project continues to be the key construction project in our future plans. Currently our Construction Services Team is increasing our in-country presence and further developing and enhancing our government and local community relationships in Ouagadougou, and on-site at Houndé. Our community and social sensitization plans are well underway along with the implementation of human resource, financial and logistical support services that are necessary to be in place prior to project commencement. These early efforts and Endeavour Mining's pre-project planning is being done to facilitate a construction decision in early 2016, which will consider several factors including the gold price outlook.

## HIGHLIGHTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2015

- Gold production of 124,893 ounces and sales of 123,002 ounces at an AISC of $908 compared to production of 117,612 ounces and 114,082 ounces sold at an AISC of $991 for the three months ended September 30, 2014.
- The Agbaou Mine continued to outperform expectations producing 43,802 ounces of gold at an AISC of $583 per ounce, above guidance range in production and below guidance in AISC.
- Voluntary debt repayments against the existing revolving credit facility continued with a second $20.0 million paid in July following $20.0 million paid in April 2015.
- Operating EBITDA of $36.3 million (year to date $134.2 million) was achieved in the quarter compared to $35.5 million achieved for the same period in the prior year (2014 year to date $111.8 million).
- All-in sustaining margin of $26.1 million was achieved in the current period and $98.2 million year to date, which compares favorably with prior year figures of $32.1 million and $89.7 million, respectively. Cash generated from operating activities of $27.5 million compares to $22.6 million in the prior year comparable period.
- Net earnings of $6.7 million resulted in earnings attributable to shareholders of the Corporation of $3.5 million or $0.01 per share, compared to net earnings of $1.9 million or $0.00 per share for the comparable period in 2014.

The following table summarizes the consolidated operating results for the three and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| **Operating Data:** | 2015 | 2014 | 2015 | 2014 |
| Gold ounces produced[1]: | 124,893 | 117,612 | 379,802 | 346,041 |
| Gold ounces sold[1]: | 123,002 | 114,082 | 377,468 | 344,533 |
| Realized gold price ($/ounce) | 1,121 | 1,273 | 1,178 | 1,288 |
| Cash cost per gold ounce sold ($/ounce)[2] | 710 | 814 | 712 | 848 |
| All-in sustaining costs per gold ounce sold ($/ounce)[2] | 908 | 991 | 917 | 1,023 |
| Sustaining capital (US dollars in thousands)[2] | 11,758 | 7,768 | 38,527 | 19,999 |
| **Financial Data** (US dollars in thousands) | | | | |
| Revenues | 137,859 | 145,223 | 444,553 | 435,832 |
| Royalties | 6,650 | 6,817 | 21,310 | 21,650 |
| All-in sustaining margin[2] | 26,148 | 32,133 | 98,233 | 89,698 |
| Net earnings and total comprehensive earnings | 6,704 | 2,056 | 57,244 | 11,957 |

[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.

## OUTLOOK

### *2015 Corporate Objectives*

With significant investments completed in 2014 and the optimization of the operations showing the benefits realized by the investments, Endeavour Mining is focusing on the next stage of growing shareholder value, with the recent shareholder-approved long term strategic partnership with the Sawiris family. Guidance associated with the four mines (ex-Ity) remains unchanged from that disclosed as part of the MD&A for the year ended December 31, 2014. Endeavour Mining 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 Mining is also advancing its Houndé Project, permitted early in 2015, for which the increased reserves and resources based on the 2014 exploration program highlight the significant value to be unlocked as Endeavour Mining continues to demonstrate Houndé's robust economics. The potential development of Houndé would benefit from Endeavour Mining'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 cash flows from existing and ongoing operations at a gold price of $1,200 or greater, together with lease financing, the use of our existing corporate credit facility, and funds that will be received from the long term strategic partnership with the Sawiris family.

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 or below 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.

The La Mancha transaction will contribute to all five of these objectives. On a pro forma basis, Endeavour Mining will generate annual gold production at a rate of 580,000 ounces from five operations across West Africa. The Ity Gold Mine will contribute to maintaining all in sustaining costs below guidance and increasing reserves and resources, which is expected to result in overall increased profitably. The cash injection from the transaction will reduce the net debt position resulting in a strengthened balance sheet and further growth opportunities in West Africa, including the Ity CIL project upside potential. The financial results of the Ity Gold Mine will be consolidated into Endeavour Mining's results from the closing date. Additionally, the Corporation received shareholder approval to consolidate its issued shares on a one 'new' to ten 'old' basis.

## OPERATIONS REVIEW

### *Agbaou Gold Mine,* Côte *d'Ivoire*

The following table summarizes the operating results of the Agbaou Gold Mine for the three and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| **Operating Data:** | 2015 | 2014 | 2015 | 2014 |
| Tonnes of ore mined (000's) | 707 | 669 | 2,065 | 1,945 |
| Average gold grade mined (grams/tonne) | 2.04 | 2.28 | 1.98 | 1.99 |
| Tonnes of ore milled (000's) | 746 | 603 | 1,917 | 1,612 |
| Average gold grade milled (grams/tonne) | 2.00 | 2.23 | 2.19 | 1.94 |
| Gold ounces produced: | 43,802 | 43,428 | 129,633 | 99,392 |
| Gold ounces sold: | 43,304 | 41,919 | 128,921 | 99,438 |
| Realized gold price ($/ounce) | 1,122 | 1,268 | 1,181 | 1,287 |
| Cash cost per gold ounce sold ($/ounce)[1] | 515 | 467 | 466 | 561 |
| All-in sustaining costs per gold ounce sold ($/ounce)[1] | 583 | 590 | 592 | 647 |
| Sustaining capital (US dollars in thousands)[1] | 1,187 | 3,330 | 10,801 | 3,694 |
| **Financial Data** (US dollars in thousands) | | | | |
| Revenues | 48,592 | 53,174 | 152,299 | 120,080 |
| Royalties | 1,748 | 1,855 | 5,431 | 4,338 |
| All-in sustaining margin[1] | 23,362 | 28,442 | 75,982 | 59,711 |

[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 its excellent performance during the third quarter. The soft nature of the oxide ore currently being processed continued into the third quarter and allowed above plan ore tons to be processed and higher recoveries to continue. AISC for the quarter of $583 ended well below the range of guidance of $690 to $740 per ounce as a result of the above planned grades continuing in the soft ores, high mill throughput and strong recoveries. This is expected to continue into the last quarter of 2015. Agbaou generated $22.7 million of operating cash flow and $17.4 million of earnings from mine operations.

Sustaining capital of $1.2 million for the quarter was primarily invested in waste capitalization ($0.7 m).

The successful Agbaou drilling program continued in the West pit area and also on extensions to the North pit mineralization. High grade mineralization was identified in the Gamma and Beta areas. During the current quarter around 18,000 meters were drilled at Agbaou, primarily in reverse circulation holes. The Corporation has invested $3.8 million year to date into the addition of new resources and reserves, the conversion of Inferred resources to Indicated, and the generation of new targets in highly prospective areas within the vicinity of the mine.

### *Nzema Gold Mine, Ghana*

The following table summarizes the operating results of the Nzema Gold Mine for the three and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| **Operating Data:** | 2015 | 2014 | 2015 | 2014 |
| Tonnes of ore mined (000's) | 231 | 343 | 1,031 | 1,024 |
| Average gold grade mined (grams/tonne) | 1.53 | 1.53 | 1.67 | 1.90 |
| Tonnes of ore milled (000's) | 450 | 401 | 1,337 | 1,187 |
| Average gold grade milled (grams/tonne) | 2.15 | 1.88 | 2.34 | 2.58 |
| Gold ounces produced[1]: | 27,405 | 24,886 | 87,226 | 89,319 |
| Gold ounces sold: | 28,072 | 24,231 | 87,878 | 88,642 |
| Realized gold price ($/ounce) | 1,120 | 1,281 | 1,177 | 1,290 |
| Cash cost per gold ounce sold ($/ounce)[2] | 874 | 917 | 866 | 844 |
| All-in sustaining costs per gold ounce sold ($/ounce)[2] | 1,011 | 1,043 | 1,046 | 993 |
| Sustaining capital (US dollars in thousands)[2] | 2,083 | 1,368 | 9,942 | 6,846 |
| **Financial Data** (US dollars in thousands) | | | | |
| Revenues | 31,454 | 31,050 | 103,407 | 114,331 |
| Royalties | 1,768 | 1,706 | 5,890 | 6,351 |
| All-in sustaining margin[2] | 3,060 | 5,777 | 11,481 | 26,309 |

[1] Includes purchased ore of 15,478 ounces and 41,513 ounces for the three and nine months ended September 30, 2015, and 8,840 ounces and 28,097 ounces in the comparable periods 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 completed the third quarter with AISC of $1,011 falling within the range of guidance of $1,000 to $1,050 per ounce. Mining during the third quarter was primarily from the Adamus and Akango pits with a total of 230,959 tonnes of ore mined, in addition to the use of purchased ore to optimize plant capacity and production, with purchased ore ounces contributing nearly double the production from the prior period. The rainy season contributed to both lower production from the mined pits as well the grade of some of the purchased ore, negatively affecting ounces produced. The current increased purchased ore availability is strategically being used to improve the mine's economics, operating margins and in the preservation of the mine's reserves in-situ. It is expected that this strategy will be utilized for the remainder of the year.

Sustaining capital of $2.1 million for the quarter was primarily a result of waste capitalisation ($0.8 m) and the TSF lift project ($0.9 m).

### *Tabakoto Gold Mine, Mali*

The following table summarizes the operating results of the Tabakoto Gold Mine for the three and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| **Operating Data:** | 2015 | 2014 | 2015 | 2014 |
| Tonnes of ore mined - Open pit (000's) | 122 | 164 | 383 | 427 |
| Average gold grade mined - Open pit (grams/tonne) | 3.82 | 2.94 | 3.53 | 2.70 |
| Tonnes of ore mined - Underground (000's) | 254 | 230 | 794 | 527 |
| Average gold grade mined - Underground (grams/tonne) | 2.87 | 2.76 | 3.05 | 3.58 |
| Tonnes of ore milled (000's) | 408 | 391 | 1,195 | 1,114 |
| Average gold grade milled (grams/tonne) | 2.99 | 2.55 | 3.05 | 3.00 |
| Gold ounces produced: | 36,373 | 30,866 | 109,521 | 100,746 |
| Gold ounces sold: | 37,298 | 29,434 | 110,227 | 99,757 |
| Realized gold price ($/ounce) | 1,120 | 1,278 | 1,174 | 1,288 |
| Cash cost per gold ounce sold ($/ounce)[1] | 743 | 1,277 | 823 | 1,184 |
| All-in sustaining costs per gold ounce sold ($/ounce)[1] | 1,032 | 1,451 | 1,048 | 1,346 |
| Sustaining capital (US dollars in thousands)[1] | 8,302 | 2,871 | 17,024 | 8,434 |
| **Financial Data** (US dollars in thousands) | | | | |
| Revenues | 41,780 | 37,614 | 129,366 | 128,452 |
| Royalties | 2,493 | 2,254 | 7,731 | 7,686 |
| All-in sustaining margin[1] | 3,281 | (5,095) | 13,865 | (5,821) |

[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, which includes the new Kofi C open pit, the Tabakoto underground mine, the Segala underground mine, and the Tabakoto mill delivered a significantly improved third quarter in comparison with that of the prior year comparable period. In the third quarter of 2015, Tabakoto's AISC of $1,032 per ounce decreased significantly from $1,451 per ounce in the third quarter of 2014 and compared to a guidance range for the year of $950 to $1,000 per ounce.

During the latter part of the quarter, the mine experienced several extreme rain fall events. This affected overall operations, in particular production from the North and South sections of the Tabakoto underground mine, reducing the grade of the material delivered to the mill, and dropping production below targeted levels. Additionally, the rains affected the handling and processing of Kofi open pit ore. The rainy season abated as expected in mid-October.

Tabakoto generated a positive all-in sustaining margin of $3.3 million and $6.9 million of earnings from mine operations. Sustaining capital of $8.3 million for the quarter was primarily invested in Kofi C waste capitalization ($2.3 m) and underground development at Segala ($4.2 m) and Tabakoto ($1.3 m).

*Tabakoto and Segala Underground Mines*

A total of 254,151 tonnes of ore was mined from the Tabakoto and Segala underground mines in the current quarter, contributing to just under 23,472 ounces of contained gold.

*Kofi C Deposit*

Kofi C contributed 14,953 ounces of contained gold in the current quarter from 121,831 tonnes of ore mined.

*Tabakoto Exploration*

During the third quarter of 2015, $3.4 million was spent on exploration at the Tabakoto complex. This was comprised of underground drilling at Tabakoto and Segala mines to establish additional resources and infill drilling of the Betea deposit on the Kofi Mining permit to improve resource classification and establish reserves of this deposit. Exploration is also designed to develop new targets in vicinity of the Tabakoto and Kofi deposits where previous high grade intersections have been encountered.

***Youga Gold Mine, Burkina Faso***

The following table summarizes the operating results of the Youga Gold Mine for the three and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| **Operating Data:** | 2015 | 2014 | 2015 | 2014 |
| Tonnes of ore mined (000's) | 310 | 239 | 1,061 | 910 |
| Average gold grade mined (grams/tonne) | 2.14 | 2.51 | 2.17 | 2.45 |
| Tonnes of ore milled (000's) | 277 | 237 | 783 | 730 |
| Average gold grade milled (grams/tonne) | 2.13 | 2.65 | 2.27 | 2.66 |
| Gold ounces produced: | 17,313 | 18,432 | 53,422 | 56,584 |
| Gold ounces sold: | 14,328 | 18,498 | 50,442 | 56,696 |
| Realized gold price ($/ounce) | 1,119 | 1,264 | 1,179 | 1,287 |
| Cash cost per gold ounce sold ($/ounce)[1] | 895 | 729 | 828 | 736 |
| All-in sustaining costs per gold ounce sold ($/ounce)[1] | 952 | 794 | 888 | 812 |
| Sustaining capital (US dollars in thousands)[1] | 186 | 199 | 760 | 1,025 |
| **Financial Data** (US dollars in thousands) | | | | |
| Revenues | 16,033 | 23,385 | 59,480 | 72,969 |
| Royalties | 641 | 1,002 | 2,258 | 3,275 |
| All-in sustaining margin[1] | 2,389 | 8,698 | 14,681 | 26,932 |

[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 Youga mine performed in line with expectations delivering another reliable quarter in gold production of 17,313 ounces. AISC of $952 per ounce is below the range of guidance of $975 to $1,025 per ounce. During the quarter, the higher grade open pits which comprised the original Youga project pits were depleted and the Zergoré pit became the principal source of ore supply to the processing plant. Political unrest in Burkina Faso resulted in 2,994 ounces of finished gold production being carried over into October, affecting cash flow and to a lesser degree, earnings from mine operations. These sales were completed in the first week of October.

Sustaining capital of $0.2 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 Mining 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 reserves 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 Mining'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 240,000 ounces expected over the first three 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 $1,200 per ounce, the project yields an after-tax
    - Internal rate of return of 27.9%; and
    - Net present value of $302 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 Mining's ownership would decrease to 90% with the remaining 10% ownership held as a free carried interest by the Government of Burkina Faso.

Houndé Gold Project is fully permitted and it is expected that it can be built and self-financed from existing operations at a gold price of $1,200 or greater, together with lease financing, the use of our existing corporate credit facility and funds received in the recently announced long term strategic partnership with the Sawiris family. Currently our Construction Services Team is increasing our in-country presence and further developing and enhancing our government and local community relationships in Ouagadougou, and on-site at Houndé. Community and social sensitization plans are well underway along with the implementation of human resource, financial and logistical support services that are necessary to be in place prior to project commencement. These early efforts and Endeavour Mining's pre-project planning are being undertaken to facilitate the construction decision in early 2016, which will consider several factors including the gold price outlook.

## 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) | September 30, 2015 | June 30, 2015 | March 31,[1] 2015 | December 31, 2014 |
| Gold revenues | $ 137,859 | $ 154,629 | $ 152,065 | $ 147,744 |
| Gold ounces sold | 123,002 | 129,614 | 124,850 | 123,354 |
| Cash flows from operations | 27,547 | 46,186 | 31,425 | 58,017 |
| Earnings from mine operations | 21,824 | 40,875 | 31,129 | 14,266 |
| Net earnings (loss) and total comprehensive earnings (loss) | 6,705 | 32,997 | 17,541 | (340,157) |
| Net earnings (loss) attributable to shareholders of Endeavour Mining Corporation | 3,503 | 26,677 | 12,715 | (280,576) |
| Basic earnings (loss) per share | 0.01 | 0.06 | 0.03 | (0.68) |
| Diluted earnings (loss) per share | 0.01 | 0.06 | 0.03 | (0.68) |

| | For the three months ended: | | | |
|---|---|---|---|---|
| (US dollars in thousands except per share amounts) | September 30, 2014 | June 30, 2014 | March 31, 2014 | December 31, 2013 |
| Gold revenues | $ 145,223 | $ 153,398 | $ 137,211 | $ 104,232 |
| Gold ounces sold | 114,082 | 118,653 | 111,798 | 82,578 |
| Cash flows from operations | 22,587 | 25,266 | 21,746 | (11,737) |
| Earnings (loss) from mine operations | 15,256 | 22,913 | 23,461 | (19,767) |
| Net earnings (loss) and total comprehensive earnings (loss) | 2,056 | 952 | 8,953 | (86,266) |
| Net earnings (loss) attributable to shareholders of Endeavour Mining Corporation | 1,859 | 40 | 5,027 | (74,720) |
| Basic earnings (loss) per share | 0.00 | 0.01 | 0.01 | (0.18) |
| Diluted earnings (loss) per share | 0.00 | 0.01 | 0.01 | (0.18) |

[1] The presentation of the condensed interim consolidated financial statements as at and for the three months ended March 31, 2015 has been amended (for comparative purposes) to correct the deferred income tax expense for the quarter by $4.6 million to reflect the appropriate tax basis of the Corporation's mineral interests at Tabakoto.

| (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 | 127,438 | 43,834 | 93,373 |
| Earnings from mine operations | 75,897 | 11,136 | 94,850 |
| Net loss and total comprehensive earnings loss | (328,200) | (371,715) | (8,556) |
| Net loss attributable to shareholders | (273,650) | (332,456) | (15,486) |
| Basic loss per share | (0.66) | (0.81) | (0.06) |
| Diluted 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 September 30, 2015 compared to the three months ended September 30, 2014*

Net earnings attributable to shareholders were $3.5 million, or $0.01 per share, compared to net earnings of $1.9 million, or $0.00 per share, in the same period in 2014, attributable to the following components:

- Revenue for the third quarter of 2015 decreased by $7.3 million to $137.9 million from $145.2 million in the same period in 2014. Gold ounces sold increased from 114,082 ounces in 2014 to 123,002 ounces for the third quarter of 2015. The realized price of gold per ounce for the third quarter of 2015 was $1,121 compared to $1,273 per ounce in the same period in 2014.

- Operating expenses for the third quarter of 2015 decreased by $7.0 million to $88.8 million due to the depreciation of the Euro against the USD affecting certain CFA input costs, the lower cost of diesel fuel, and the ongoing efforts in cost management in response to the low gold price environment.

- Depreciation and depletion for the third quarter of 2015 was $20.6 million compared to $27.3 million for the same prior year period in 2014 despite higher gold production, partially on account of lower mineral property values at the end of 2014.

- Earnings from mine operations for the third quarter of 2015 were $21.8 million compared to $15.3 million for the same period in 2014.

- Corporate costs for the third quarter of 2015 were $4.7 million compared to $4.1 million for the same period in 2014.

- Losses on financial instruments for the third quarter of 2015 were $0.04 million compared to gains of $4.7 million for the same period in 2014 as the Corporation's legacy hedge programs unwind.

- Finance costs for the third quarter of 2015 were $7.1 million compared to $7.6 million for the same period in 2014 primarily as a result of the lower balance of outstanding debt.

- The current income and other tax expense for the third quarter of 2015 was $0.6 million compared to $1.7 million for the same period in 2014. Deferred income tax expense for the third quarter of 2015 was $1.2 million compared to $1.7 million for the same period in 2014.

*Nine months ended September 30, 2015 compared to the nine months ended September 30, 2014*

Net earnings attributable to shareholders were $42.9 million, or $0.10 per share, compared to $6.9 million, or $0.02 per share, in the same period in 2014, attributable to the following components:

- Revenue for the first nine months of 2015 increased by $8.8 million to $444.6 million from $435.8 million in the same period in 2014. Gold ounces sold increased from 344,533 ounces in 2014 to 377,468 ounces for the first nine months of 2015. The realized price of gold per ounce for the first nine months of 2015 was $1,178 compared to $1,288 per ounce in the same period in 2014.

- Operating expenses for the first nine months of 2015 decreased by $13.7 million to $271.2 million with 2015 costs up due to the inclusion of the Agbaou mine for the full nine months offset by the same beneficial factors that affected the three months ended September 30, 2015.

- Depreciation and depletion for the first nine months of 2015 was $58.2 million compared to $67.6 million for the same prior year period in 2014.

- Earnings from mine operations for the first nine months of 2015 were $93.8 million compared to $61.6 million for the same period in 2014.

- Corporate costs for the first nine months of 2015 were $13.2 million compared to $14.2 million for the same period in 2014.

- Gains on financial instruments for the first nine months of 2015 were $3.5 million compared to losses of $10.3 million for the same period in 2014. Gains on foreign currency accounted for the majority of the gain in the current year, whereas $5.8 million in losses on derivative assets and liabilities in the prior comparable period accounted for the majority of the losses.

- Finance costs for the first nine months of 2015 were $23.8 million compared to $21.3 million for the same period in 2014 primarily as a result of additional fees associated with the credit facility renewal.

- The current income and other tax expense for the first nine months of 2015 was $3.9 million compared to $6.4 million for the same period in 2014. Deferred income tax recovery for the first nine months of 2015 was $5.4 million compared to $5.7 million for the same period in 2014.

## LIQUIDITY AND CAPITAL RESOURCES

On March 10, 2015, the Corporation renewed its $350 million senior secured revolving corporate loan facility (the "Facility") with a syndicate of leading international banks. The Facility has a new maturity date of March 2020 and key terms including the following:

- The 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.
- The 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).

The Facility is secured by shares of the Corporation's material gold mining subsidiaries and certain material assets of those subsidiaries.

With the investment phase of the Corporation's strategy winding down at the end of 2014 and its cash flows growing, the Corporation embarked on a debt reduction program with a second $20.0 million repayment in July 2015 following $20.0 million repaid in April 2015. With the drawn amount on the Facility at $260 million as of the date of this MD&A, the Corporation's undrawn portion of the credit facility is $90 million and remains fully available for general corporate purposes.

At September 30, 2015, Endeavour Mining had cash of $31.8 million (December 31, 2014 – $62.2 million). In addition, at September 30, 2015, Endeavour Mining held $0.6 million of marketable securities (December 31, 2014 – $0.8 million) and $5.8 million in restricted cash (December 31, 2014 – $4.5 million). Total working capital as at September 30, 2015 was $33.3 million (December 31, 2014 - $42.8 million).

The current quarter cash flow from operations was adversely affected by lower gold price compared to the first half of 2015, lower quantities of gold sold due to the timing of some gold pours at quarter end with the gold not sold until subsequent to quarter end as well the rainy season affecting gold production at Tabakoto and Nzema.

Net change in cash position for the three month period ending September 30, 2015, was a reduction of $20.9 million, attributable to the following components of the consolidated cash flow statement:

- Operating activities generated $27.5 million in comparison to $22.6 million generated in the same period of the previous year primarily due to more robust mine operating earnings. Timing induced changes in working capital balances generated an outflow $4.3 million of cash versus $11.8 million in the comparable period in 2014.

- Investing activities used $24.8 million in comparison with $20.0 million used in the same period of the previous year. The current period outflow consisted primarily of $13.0 million of sustaining capital including sustaining exploration, and $12.6 million of non-sustaining investments. The sustaining capital related to capitalized waste and the normal course timing of planned mine capital investments and non-sustaining investments related primarily to non-sustaining capital at Tabakoto.

- Financing activities used cash of $23.2 million in comparison to $3.8 million in the prior comparable period. The current period outflows consisted primarily of the repayment of long term debt of $20.0 million, refinancing fees of $1.8 million and interest paid on the Facility amounting to $0.4 million.

Net change in cash position for the nine month period from December 31, 2014, was a reduction of $30.4 million, attributable to the following components of the consolidated cash flow statement:

- Operating activities generated $105.2 million in comparison to $69.4 million generated in the same period of the previous year primarily due to more robust mine operating earnings. Timing induced changes in working capital balances generated an outflow $20.6 million of cash versus $28.6 million in the comparable period in 2014.

- Investing activities used $68.6 million in comparison with $70.0 million used in the same period of the previous year. The current period outflow consisted primarily of $43.1 million of sustaining capital including sustaining exploration, and $25.7 million of non-sustaining investments. The sustaining capital related to capitalized waste and the normal course timing of planned mine capital investments and non-sustaining investments related primarily to non-sustaining capital at Tabakoto.

- Financing activities used cash of $64.6 million in comparison to $17.4 million in the prior comparable period. The current period outflows consisted primarily of the repayment of long term debt of $40.0 million, refinancing fees of $8.5 million and interest paid on the Facility amounting to $9.0 million.

In the opinion of management, Endeavour Mining's cash position and working capital at September 30, 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 Mining inherited several hedge programs which have been reduced, amended and settled in the periods subsequent to the acquisitions. As at September 30, 2015, 40,927 ounces (8,764 in 2015 and 32,163 in 2016) of gold forward contracts remain outstanding with a fair value of the liability at $3.3 million (December 31, 2014 - $9.3 million), arising from contracted net proceeds to be received of $1,032 per ounce. During the three and nine months ended September 30, 2015, the Corporation settled 8,059 and 23,236 ounces of gold forward contracts resulting in a realized loss of $0.8 million and $3.1 million, respectively. Additionally, during the nine months ended September 30, 2015, the Corporation settled the remaining 6,066 ounces of gold call options resulting in a realized loss of $1.8 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. The Corporation also entered a 12 month fuel price protection program in June 2015, in line with approximately 50% of the diesel volume scheduled to be consumed at the Tabakoto mine, by way of fuel swap contracts on 1,268 metric tonnes of Gas Oil per month. The program is cash settled and had a fair value liability of $0.9 million as at September 30, 2015 (December 31, 2014 - $nil)

## CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table summarizes the contractual maturities of the Corporation's financial liabilities at September 30, 2015:

| | Within 1 year | 2 to 3 years | 4 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| Trade and other payables | $ 108,881 | $ - | $ - | $ - | $ 108,881 |
| Long-term debt | - | - | 230,000 | 30,000 | 260,000 |
| Finance lease obligations | 4,540 | 12,413 | - | - | 16,953 |
| Minimum operating lease payments | 1,362 | 2,219 | 1,546 | | 5,127 |
| Derivative financial liabilities | 4,274 | - | - | - | 4,274 |
| | $ 119,058 | $ 14,632 | $ 231,546 | $ 30,000 | $ 395,235 |

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.

During 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 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 Mining'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 Mining's share structure at September 30, 2015.

| | |
|---|---|
| Shares issued and outstanding | 413,143,668 |
| Stock options | 27,783,837 |

As at November 13, 2015, the date of this MD&A, the Corporation has 413,143,668 shares issued and outstanding, as well as 27,783,837 stock options outstanding.

The following table summarizes share option details outstanding as at September 30, 2015:

| Exercise Prices (C$) | Outstanding | Exercisable | Weighted average exercise price (C$) | Weighted average remaining contractual life |
|---|---|---|---|---|
| $0.52 - $0.81 | 7,270,746 | 466,666 | $ 0.81 | 3.61 years |
| $0.82 - $1.50 | 6,118,260 | 3,290,760 | 1.01 | 3.52 years |
| $1.51 - $2.00 | 3,124,400 | 3,124,400 | 1.52 | 1.78 years |
| $2.01 - $2.50 | 3,942,836 | 3,942,836 | 2.28 | 2.34 years |
| $2.51 - $3.00 | 5,029,312 | 5,029,312 | 2.67 | 1.13 years |
| $3.51 - $4.00 | 80,300 | 80,300 | 3.70 | 0.62 years |
| $4.01 - $44.96 | 2,217,983 | 2,217,983 | 4.99 | 0.73 years |
| | 27,783,837 | 18,152,257 | $ 2.32 | 1.95 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 are 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 and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| (US dollars in thousands) | | | | |
| Revenues | $ 137,859 | $ 145,223 | $ 444,553 | $ 435,832 |
| Less: royalties | (6,650) | (6,817) | (21,310) | (21,650) |
| Less: cash costs of ounces sold (see table that follows) | (87,359) | (92,871) | (268,706) | (287,001) |
| Less: corporate G&A | (4,744) | (4,120) | (13,177) | (14,220) |
| Subtotal | 39,106 | 41,415 | 141,360 | 112,961 |
| Less: sustaining capital (see table that follows) | (11,758) | (7,768) | (38,527) | (19,999) |
| Less: sustaining exploration | (1,200) | (1,514) | (4,600) | (3,264) |
| All-in sustaining margin | $ 26,148 | $ 32,133 | $ 98,233 | $ 89,698 |

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| (US dollars in thousands) | | | | |
| Earnings(loss) before tax[1] | $ 8,593 | $ 5,400 | $ 55,759 | $ 12,596 |
| Add back: Depreciation and depletion[1,2] | $ 20,552 | $ 27,278 | 58,210 | 67,628 |
| Add back: Finance costs[1] | $ 7,106 | $ 7,557 | 23,787 | 21,261 |
| Add back: (Gains) losses on financial instruments[1] | $ 35 | $ (4,724) | (3,532) | 10,302 |
| Operating EBITDA | $ 36,286 | $ 35,511 | $ 134,224 | $ 111,787 |

[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 and nine months ended September 30, 2015 and 2014:

| | Three months ended Sept 30, 2015 | Three months ended Sept 30, 2014 | Nine months ended Sept 30, 2015 | Nine months ended Sept 30, 2014 |
|---|---|---|---|---|
| (US dollars in thousands except ounces sold) | | | | |
| Operating expenses from mine operations | $ 88,833 | $ 95,872 | $ 271,205 | $ 284,924 |
| Non-cash adjustments included in operating expenses | (1,475) | (3,001) | (2,499) | 2,076 |
| Cash cost | 87,358 | 92,871 | 268,706 | 287,000 |
| Divided by ounces of gold sold | 123,002 | 114,082 | 377,468 | 338,401 |
| Total cash cost per ounce of gold sold | $ 710 | $ 814 | $ 712 | $ 848 |

### *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 Sept 30, 2015 | Three months ended Sept 30, 2014 | Nine months ended Sept 30, 2015 | Nine months ended Sept 30, 2014 |
|---|---|---|---|---|
| (US dollars in thousands except ounces) | | | | |
| Cash cost for ounces sold | $ 87,358 | $ 92,871 | $ 268,706 | $ 287,000 |
| Royalties | 6,650 | 6,817 | 21,310 | 21,650 |
| Corporate G&A | 4,744 | 4,120 | 13,177 | 14,220 |
| Sustaining capital | 11,758 | 7,768 | 38,527 | 19,999 |
| Sustaining exploration | 1,200 | 1,514 | 4,600 | 3,264 |
| All-in sustaining costs | 111,710 | 113,090 | 346,320 | 346,133 |
| Divided by gold ounces sold | 123,002 | 114,082 | 377,468 | 338,401 |
| All-in sustaining cost per ounce sold | $ 908 | $ 991 | $ 917 | $ 1,023 |

| | Three months ended Sept 30, 2015 | Three months ended Sept 30, 2014 | Nine months ended Sept 30, 2015 | Nine months ended Sept 30, 2014 |
|---|---|---|---|---|
| (US dollars in thousands) | | | | |
| **Expenditures and prepayments on mining interests** | $ 25,578 | $ 24,350 | $ 68,814 | $ 74,162 |
| Non-sustaining capital at Tabakoto, Nzema and Agbaou | (10,368) | (11,565) | (21,055) | (45,847) |
| Sustaining exploration | (1,200) | (1,514) | (4,600) | (3,264) |
| Project capital spend at Houndé | (2,252) | (3,503) | (4,632) | (5,052) |
| **Sustaining Capital** | **11,758** | **7,768** | **38,527** | **19,999** |

The $12.6 million of non-sustaining investments for the current three month period consists primarily of Kofi and other Tabakoto 2014 carry over capital, as well as non-sustaining exploration. Capital of $2.3 million was also spent on the Houndé Project in the third quarter and $1.2 million was incurred in ongoing resource conversion considered sustaining exploration.

The Corporation utilizes components of the above tables to calculate free cash flow.

### *Cash costs and all-in sustaining costs on mine by mine basis*

The following table provides additional detail as to how cash costs and all-in sustaining costs at the mine site level are calculated on a mine by mine basis for the nine months ended September 30, 2015.

| | | Agbaou | Nzema | Tabakoto | Youga | Total |
|---|---|---|---|---|---|---|
| **Mining Physicals** | | | | | | |
| Total tonnes mined - Open pit | 000t | 15,331 | 6,707 | 6,874 | 6,249 | |
| Total ore tonnes - Open pit | 000t | 2,065 | 1,031 | 374 | 1,061 | |
| Total ore tonnes - Underground | 000t | - | - | 794 | - | |
| Total tonnes milled | 000t | 1,917 | 1,337 | 1,195 | 783 | |
| Gold sold | ozs | 128,921 | 87,878 | 110,227 | 50,442 | 377,468 |
| **Unit cost analysis** | | | | | | |
| Mining costs - Open pit[1] | $/t mined | 2.62 | 4.58 | 2.67 | 3.86 | |
| Mining costs - Underground[1] | $/t ore | - | - | 62.25 | - | |
| Processing and maintenance | $/t milled | 6.78 | 14.81 | 22.88 | 20.37 | |
| Site G&A | $/t milled | 6.19 | 6.73 | 16.87 | 8.83 | |
| **Cash cost details** | | | | | | |
| Mining costs - Open pit | $000s | 35,472 | 23,643 | 12,326 | 24,125 | 95,566 |
| Mining costs - Underground | $000s | - | - | 28,891 | - | 28,891 |
| Processing and maintenance | $000s | 12,998 | 19,790 | 27,344 | 15,947 | 76,079 |
| Site G&A | $000s | 11,866 | 8,992 | 20,159 | 6,914 | 47,931 |
| Purchased ore at Nzema | $000s | - | 26,250 | - | - | 26,250 |
| Inventory adjustments | $000s | (251) | (2,581) | 2,026 | (5,205) | (6,011) |
| Cash costs for ounces sold | $000s | **$60,085** | **$76,094** | **$90,746** | **$41,781** | **$268,706** |
| Royalties | $000s | 5,431 | 5,890 | 7,731 | 2,258 | 21,310 |
| Sustaining capital | $000s | 10,801 | 9,942 | 17,024 | 760 | 38,527 |
| Cash cost per ounce sold | $/oz | 466 | 866 | 823 | 828 | 712 |
| Mine-level AISC per ounce sold | $/oz | 592 | 1,046 | 1,048 | 888 | 870 |
| **Other costs used to derive unit mining cost** | | | | | | |
| Capitalized O/P mining costs | $000s | 4,626 | 7,059 | 6,001 | - | |
| Capitalized U/G mining costs | $000s | - | - | 20,516 | - | |

[1]Includes capitalized mining costs

### *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 Mining's core operating of mining assets and Endeavour Mining 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.

| | Three months ended Sept 30, | | Nine months ended Sept 30, | |
|---|---|---|---|---|
| (US dollars in millions except per share and share amounts) | 2015 | 2014 | 2015 | 2014 |
| Net earnings and total comprehensive earnings | **$ 6.7** | **$ 2.1** | **$ 57.2** | **$ 12.0** |
| Loss on derivative instruments,marketable securities and interest | (1.5) | (7.3) | (0.8) | 6.7 |
| Imputed interest on promissory note | (0.2) | (0.5) | (0.7) | (1.4) |
| Gain on foreign currency | 1.7 | 3.1 | (2.1) | 5.0 |
| Other income | 0.5 | 2.1 | 0.4 | 1.1 |
| Stock-based payments | 0.7 | 0.5 | 2.9 | 0.9 |
| Deferred income tax expense (recovery) | 1.2 | 1.7 | (5.4) | (5.7) |
| **Adjusted net earnings after tax** | **$ 9.1** | **$ 1.7** | **$ 51.5** | **$ 18.6** |
| **Attributable to non-controlling interests** | **$ 1.3** | **$ 0.2** | **$ 6.4** | **$ 2.3** |
| **Attributable to shareholders of the Corporation** | **$ 7.8** | **$ 1.5** | **$ 45.1** | **$ 16.3** |
| Weighted average number of outstanding shares | 413,143,668 | 413,143,668 | 413,143,668 | 413,110,978 |
| **Adjusted net earnings per share (basic)** | **0.02** | **0.00** | **0.11** | **0.04** |

## HEALTH, SAFETY AND CORPORATE SOCIAL RESPONSIBILITY

Endeavour Mining 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 Mining sees itself as an integral part of the communities in which it operates, as well as a responsible development partner. Endeavour Mining 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, 2014 (accounting for commercial production commenced on February 1, 2014).

*(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, 2018, 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, 2014. 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 Mining's assets are located in West Africa. Endeavour Mining 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 c0eral 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 and nine months ended September 30, 2015.

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

| | September 30, 2015 | December 31, 2014 |
|---|---|---|
| Cash | $ 31,795 | $ 62,179 |
| Cash - restricted | 5,755 | 4,517 |
| Trade and other receivables | 13,320 | 21,530 |
| Promissory note and working capital loan | 6,053 | 5,394 |
| | $ 56,923 | $ 93,620 |

(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 and nine months ended September 30, 2015.

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

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

| | September 30, 2015 | December 31, 2014 |
|---|---|---|
| Canadian dollar | $ (1,149) | $ 1,111 |
| CFA Francs | (10,131) | (6,451) |
| Other currencies | 294 | 4,046 |
| | $ (10,986) | $ (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.

The effect on earnings and other comprehensive earnings before tax as at September 30, 2015, of a 10% change in the LIBOR rate on the Facility is estimated to be $0.1 million (December 31, 2014 - $0.1 million).

(v) *Price risk*

Price risk is the risk that the fair value or future cash flows of the Corporation's financial instruments will fluctuate because of changes in market prices. There has been no change in the Corporation's objectives and policies for managing this risk and no significant changes to the Corporation's exposure to price risk during the three months and nine ended September 30, 2015.

The Corporation is also exposed to other price risk or equity price risk in trading its marketable securities and unfavorable market conditions could result in dispositions of marketable securities at less than favorable prices.

## 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 disclosure controls and procedures and 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 disclosure controls and procedures and 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 Mining 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 Mining's most recent Annual Information Form available on SEDAR at www.sedar.com. Although Endeavour Mining 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 Mining and other continuous disclosure documents filed by Endeavour Mining available at www.sedar.com, for further information on mineral reserves and resources, which is subject to the qualifications and notes set forth therein.*