

## **Material Change Report**

Form 51-102F3

**Item 1. Name and Address of Company**

Endeavour Mining Corporation ("Endeavour")  
Suite 3123 - 595 Burrard St.  
P.O. Box 49139  
Vancouver, British Columbia V7X 1J1

**Item 2. Date of Material Change**

September 18, 2015.

**Item 3. News Release**

The news release dated September 21, 2015 was disseminated through CNW and was filed on Endeavour's SEDAR profile at [www.sedar.com](http://www.sedar.com).

**Item 4. Summary of Material Change**

Endeavour announced that it has entered into a long term strategic partnership with La Mancha Holding S.à.r.l. ("**La Mancha**"), a privately-held gold investment company controlled by the Sawiris Family (the "**Transaction**"). Pursuant to the Transaction, Endeavour will acquire, indirectly through its wholly-owned subsidiary Endeavour Resources Inc. ("**Endeavour Resources**"), all of the issued and outstanding ordinary shares of La Mancha Cayman, a wholly-owned subsidiary of La Mancha, in consideration for the issuance by Endeavour to La Mancha of approximately 177,061,572 ordinary shares in the capital of Endeavour ("**Shares**") pursuant to the terms of a share purchase agreement dated September 18, 2015 (the "**Share Purchase Agreement**") among Endeavour, Endeavour Resources and La Mancha.

In connection with the Transaction, Endeavour and La Mancha entered into an investor rights agreement dated September 18, 2015 (the "**Investor Rights Agreement**") to provide for certain rights and restrictions in connection with the Shares to be issued to La Mancha pursuant to the Share Purchase Agreement. In addition, all of Endeavour's directors and executive officers, who collectively hold or exercise control or direction over an aggregate of approximately 2.25% of the issued and outstanding Shares as of the date hereof, have entered into a lock-up agreement dated September 18, 2015 (the "**Lock-Up Agreement**") with La Mancha.

## Item 5. Full Description of Material Change

### 5.1 Full Description of Material Change

The Transaction involves the acquisition by Endeavour, through Endeavour Resources, of all of the issued and outstanding ordinary shares of La Mancha Cayman from La Mancha in exchange for the issuance by Endeavour to La Mancha of approximately 177,061,572 Shares, subject to satisfaction or waiver of certain conditions, in accordance with the terms of the Share Purchase Agreement. Upon closing of the Transaction, La Mancha Cayman will be an indirect, wholly-owned subsidiary of Endeavour, existing Endeavour shareholders will hold approximately 413,143,668 or 70% of the issued and outstanding Shares and La Mancha will hold approximately 177,061,572 or 30% of the issued and outstanding Shares.

As part of the Transaction, Endeavour will acquire La Mancha's indirect 55% interest in Société des Mines d'Ity S.A, which operates the Ity Gold Mine in Côte d'Ivoire, plus various regional exploration properties, and La Mancha will contribute US\$63 million cash into the acquired businesses. La Mancha has also expressed an in-principle commitment to invest up to US\$75 million in additional funds to support Endeavour's growth. On a pro forma basis, Endeavour will have an annual gold production rate of 580,000 ounces from five operations across West Africa, a strengthened balance sheet and further growth opportunities in Africa. The Transaction will immediately add to Endeavour's operating cash flow, increase its attributable mineral reserve and resource base by 22% and 23%, respectively, while also strengthening its balance sheet and funding position to pursue further growth.

Upon completion of the Transaction, the board of directors of Endeavour (the "**Endeavour Board**") will be increased from seven to nine directors, with Naguib Sawiris, La Mancha's Chairman, and Sebastien de Montessus, La Mancha's President and CEO, being appointed as new directors. As a result of these changes to the Endeavour Board, it is expected that the composition of certain committees of the Endeavour Board will be adjusted upon completion of the Transaction. In addition, following completion of the Transaction, it is expected that Endeavour's current management will remain the same and that Sebastien de Montessus, the current President and CEO of La Mancha, will join Endeavour's management team as President.

Pursuant to the terms of the Investor Rights Agreement, La Mancha has agreed that for a period of two years following the closing of the Transaction, it will not sell, transfer or otherwise dispose, directly or indirectly, all or any portion of Shares or securities convertible into Shares beneficially owned, directly or indirectly, by La Mancha or its affiliates without Endeavour's prior written consent. In addition, La Mancha has agreed to a two-year standstill from the closing of the Transaction during which it will not, among other things, acquire any Shares or rights or options to acquire Shares if, following such acquisition, La Mancha would, in the aggregate, directly or indirectly beneficially own 30%

or more of Shares or shares to which are attached 30% or more of the voting rights attaching to all voting shares of Endeavour. Such restrictions on dispositions and standstill covenants will be suspended and not be applicable for any period of time during which La Mancha ceases to be a beneficial owner of more than 10% of the outstanding Shares in the aggregate and will automatically become applicable and in full force and effect if, within two years of closing of the Transaction, La Mancha again becomes a beneficial owner of more than 10% of the outstanding Shares.

Pursuant to the terms of the Investor Rights Agreement, La Mancha will have the right but not the obligation to subscribe for additional Shares or securities convertible into Shares, as is sufficient to enable it to maintain its ownership percentage in Endeavour (subject to certain exceptions and compliance with any shareholder or regulatory approvals that may be required for any such issue). Such anti-dilution rights will terminate and be of no further force or effect if La Mancha directly or indirectly beneficially owns less than 10% of the issued and outstanding Shares.

In connection with the Transaction, all of Endeavour's directors and executive officers, who collectively hold or exercise control or direction over an aggregate of approximately 2.25% of the issued and outstanding Shares as of the date hereof, entered into the Lock-Up Agreement with La Mancha. The Lock-Up Agreement sets forth, among other things, the terms and conditions upon which each such director and executive officer of Endeavour has agreed, among other things, to vote in favour of the ordinary resolution of Endeavour shareholders to be considered at a special meeting expected to be held on November 5, 2015 to approve the issuance of approximately 177,061,572 Shares to La Mancha contemplated by the Share Purchase Agreement.

The completion of the Transaction is subject to several conditions that must be satisfied or waived, including Endeavour shareholder approval and receipt of all third party and regulatory approvals, including Toronto Stock Exchange approval.

Copies of the Share Purchase Agreement, Investor Rights Agreement and Lock-Up Agreement have been filed on Endeavour's SEDAR profile at [www.sedar.com](http://www.sedar.com).

## **5.2 Disclosure for Restructuring Transactions**

Not Applicable.

### **Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not Applicable.

**Item 7. Omitted Information**

Not Applicable.

**Item 8. Executive Officer**

Morgan Carroll  
Executive Vice President Corporate Finance and General Counsel  
Tel: +377 97 98 71 66

**Item 9. Date of Report**

September 28, 2015.