If you have any questions regarding the information described in this Management Information Circular or require assistance with voting your shares, please contact D.F. King at 1-800-926-7043 toll free in North America or call collect outside of North America at 1-201-806-7301 or by email at inquiries@dfking.com

ENDEAVOUR MINING

Creating a Premier African Gold Producer

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on April 21, 2016

and

MANAGEMENT INFORMATION CIRCULAR

with respect to Endeavour Mining Corporation's proposed

acquisition of True Gold Mining Inc.

and

the related private placement of Endeavour Shares

to La Mancha Holding S.àr.l.

March 15, 2016

The Directors of Endeavour Mining Corporation unanimously recommend that Endeavour Shareholders approve the Arrangement Resolution (approving the issuance of Endeavour Shares to complete the acquisition of True Gold) and the La Mancha Placement Resolution (approving the private placement of Endeavour Shares to La Mancha).

Letter from the Chairman of the Board and the Chief Executive Officer



Michael Beckett



Neil Woodyer

Dear Fellow Shareholders,

We would like to invite you to a special meeting of shareholders to be held on April 21, 2016. On March 4, 2016, Endeavour Mining announced that it has entered into an arrangement agreement with True Gold Mining Inc. to add a new, low-cost gold mine to our operations that will increase our group production and reduce our average all-in sustaining costs per ounce. Associated with the acquisition of True Gold, Endeavour Mining's largest shareholder – La Mancha Holding S.àr.l., a privately-held gold investment company controlled by the Sawiris Family, has committed to a C$82.6 million new equity placement to maintain its current 30% ownership.

Your vote is important, and you can vote by proxy on the Internet, by phone, by fax or by mail. You can also vote in person at the meeting. This circular provides additional details about the items for consideration at the meeting; please read it carefully. Completion of the acquisition is subject to several conditions including Endeavour Mining shareholder approval (50%+1 share) and receipt of certain approvals, including that of the Toronto Stock Exchange.

Karma Mine

Adding low-cost production and 19% increase in our 2P reserves to 5.4Moz and 39% increase in M&I resources to 10.2Mozs

Karma is nearing production start-up with a forecast production rate of 110,000 – 120,000 ounces per year

Extensive exploration potential to extend its mine life

Free cash flow

Enhanced ability to finance expanded exploration strategy

Following Karma ramp-up, positioned to commence construction of our Houndé Project

C$83M

New equity investment from La Mancha, our strategic partner in building a leading, Africa-focused gold producer

1. You will be asked to approve the issuance of up to 18,945,248 new shares to former shareholders and optionholders of True Gold representing 32% of Endeavour Mining's outstanding shares on today's date, and 21% of the outstanding shares immediately following the acquisition and proposed placement. All of Endeavour Mining's directors and senior executives have formally committed to support this transaction by voting all of their shares in favour. In addition, Endeavour Mining's largest shareholder, La Mancha, has similarly committed to supporting this transaction by voting its 17,706,157 shares in favour. The aggregate 'lock-up' support represents 31.5% of Endeavour Mining's shares. We have also received 'lock-up' support from 15.7% of True Gold's shareholders. The key attributes of the transaction are set out in detail in the Circular but they include the following highlights.

- True Gold has a 90% interest in the Karma gold mine in Burkina Faso, which is nearing production start-up. Endeavour Mining would acquire a new mine with a forecast gold production rate of 110,000 – 120,000 ounces per year at a low AISC of approximately US$700/oz (years 1 to 5), and with a mine life of 8.5 years based on current reserves. The Karma Project has extensive exploration potential to extend its mine life.
- The acquisition is consistent with Endeavour's successful 'buy-and-build' strategy and firmly positions it as one of Africa's premier gold miners. The Karma Project provides a meaningful upgrade to the recently divested Youga Mine and emphasizes management's dedication to proactive asset management and cash flow maximization.
- Endeavour Mining's attributable Proven and Probable reserves will increase by 19% to 5.4 million ounces and Measured and Indicated resources will increase by 39% to 10.2 million ounces, while Inferred resources will increase by 123% to 3.9 million ounces.
- Expected free cash flow from the Karma Project, together with the associated C$82.6 million new equity placement from La Mancha:
    - Strengthens our funding plan to support a potential construction decision at our Houndé Project in Burkina Faso, following Karma production ramp-up; and
    - Enhances our ability to finance a new long-term West African exploration strategy funded by existing liquidity and by improved internal cash generation.

2. You will be asked to approve the issuance of 1,642,736 new shares to La Mancha, being the number of shares in excess of 10% of the number of our outstanding shares on today's date.

La Mancha is exercising its anti-dilution right so that it maintains its current 30% ownership in Endeavour Mining following the issuance of 17,590,726 new shares to acquire True Gold. This requires La Mancha to subscribe for 7,546,775 new shares at a price of C$10.94 per new share (in line with Endeavour's 20-day trailing VWAP on March 3, 2016) for proceeds to Endeavour Mining of C$82,561,719.

Under Toronto Stock Exchange rules, La Mancha is permitted to subscribe for 5,904,039 new shares, being 10% of Endeavour Mining's current issued shares, without approval from the disinterested Endeavour Mining shareholders. As the total number of new shares to be issued to La Mancha exceeds the permitted 10% threshold, the disinterested Endeavour Mining shareholders are being asked to approve the balance of 1,642,736 new shares above 10% (representing C$17.9 million of the proceeds).

The C$82.6 million new investment from La Mancha bolsters Endeavour Mining's ability to finance growth, including constructing the Houndé Project, and it also demonstrates the strength of our strategic relationship with La Mancha and Naguib Sawiris as our long-term partner in building a leading, Africa-focused, gold producer. As True Gold represents our first investment with La Mancha as our cornerstone shareholder, we believe it is in the long-term interests of both Endeavour Mining and its shareholders to have La Mancha exercise its full anti-dilution right and remain at the 30% ownership level.

Shareholder approval of the issuance of 1,642,736 new shares to La Mancha is not a condition to the completion of the acquisition of True Gold.

3. You will be asked to approve an increase of our share capital.

Endeavour Mining has successfully implemented a 'buy and build' growth strategy since 2010. With these transactions, Endeavour Mining will have an enlarged share base of 84.2 million issued and outstanding; the current limit of authorized share capital is 100 million ordinary shares. Endeavour Mining is seeking shareholder approval to increase the authorized share capital to 200 million ordinary shares with the expectation of continued long-term growth. Importantly, any new share issuances would require approval from the Board of Directors and would need to be within the rules and policies of the Toronto Stock Exchange, including the need for further shareholder approval in certain circumstances.

Thank you for your support and continued confidence in Endeavour Mining.

Sincerely,





Michael Beckett
Chairman of the Board

Neil Woodyer
Chief Executive Officer

March 15, 2016

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting of shareholders (the "**Meeting**") of Endeavour Mining Corporation ("**Endeavour**") will be held at Bureau 76, 7 Boulevard des Moulins, 98000 Monaco on April 21, 2016 at 4:00 p.m. (CET) to:

(1) consider and pass, with or without variation, an ordinary resolution (the "**Arrangement Resolution**"), the full text of which is set out in the accompanying management information circular of Endeavour (the "**Circular**"), approving the issuance of up to 18,945,248 Endeavour ordinary shares (the "**Endeavour Shares**") to the holders of common shares ("**True Gold Shares**") of True Gold Mining Inc. ("**True Gold**") and holders of options to acquire True Gold Shares, in accordance with a court-approved plan of arrangement (the "**Arrangement**") between True Gold and its securityholders under the *Business Corporations Act* (British Columbia) pursuant to which True Gold will become an indirect wholly-owned subsidiary of Endeavour, as more particularly described in the Circular;

(2) consider and pass, with or without variation, an ordinary resolution (the "**La Mancha Placement Resolution**"), the full text of which is set out in the Circular, approving the issuance of 1,642,736 Endeavour Shares to La Mancha Holding S.àr.l. ("**La Mancha**") consistent with La Mancha's anti-dilution right under the investor rights agreement dated September 18, 2015 between Endeavour and La Mancha arising as a result of the issuance of Endeavour Shares under the Arrangement, as more particularly described in the Circular;

(3) consider and pass, with or without variation, an ordinary resolution (the "**Share Capital Resolution**"), the full text of which is set out in the Circular, to authorize, if and when the board of directors of Endeavour resolves to do so within 12 months of the date of such ordinary resolution, an increase in the authorized share capital of Endeavour from US$20,000,000 divided into 100,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, to US$30,000,000 divided into 200,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, as more particularly described in the Circular; and

(4) transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

This Notice of Meeting is accompanied by the Circular, which provides additional information relating to the matters to be dealt with at the Meeting.

The record date for determining the holders of Endeavour Shares entitled to receive notice of and vote at the Meeting, and any adjournment or postponement thereof, has been fixed at the close of business (local time in Vancouver, British Columbia) on March 15, 2016.

If you are a registered Endeavour shareholder or a registered holder of non-voting redeemable preferred shares in the capital of Avion Gold Corporation which are exchangeable for Endeavour Shares ("Exchangeable Shares"), you are requested to complete, sign, date and return the enclosed form of proxy or, alternatively, to vote by telephone or over the internet, in each case in accordance with the enclosed instructions. To be used at the Meeting, the completed form of proxy must be deposited at the office of Endeavour's transfer agent, Computershare Investor Services Inc. ("Computershare"), 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, by 10:00 a.m. (EST) on April 19, 2016, or not less than 48 hours before the commencement of any adjournment or postponement of the Meeting.

If you are a non-registered Endeavour shareholder or a non-registered holder of Exchangeable Shares, and you receive a voting instruction form ("VIF") with the Circular, please complete and return the VIF in accordance with the instructions provided therein. If you do not complete and return the VIF in accordance with such instructions, you may lose your right to instruct the registered holder of your Endeavour Shares or Exchangeable Shares, as applicable, on how to vote at the Meeting on your behalf.

If you have any questions or require assistance in voting your proxy, please contact our proxy solicitation agent, D.F. King, at 1-800-926-7043 toll free in North America, or call collect outside North America at 1-201-806-7301 or by email at inquiries@dfking.com.

DATED at Monaco as of March 15, 2016.

By Order of the Board of Directors

"*Neil Woodyer*"
Neil Woodyer
Chief Executive Officer & Director

SPECIAL MEETING OF SHAREHOLDERS – FORMER CDI HOLDERS VOTING PROCESS

The special meeting (the "**Meeting**") of holders of ordinary shares ("**Endeavour Shares**") in the capital of Endeavour Mining Corporation ("**Endeavour**") will be held at Bureau 76, 7 Boulevard des Moulins, 98000 Monaco on April 21, 2016 at 4:00 p.m. (CET). Please see the accompanying Notice of Special Meeting of Shareholders for further details.

Endeavour Shares were formerly listed on the Australian Securities Exchange (the "**ASX**") in the form of CHESS Depositary Interests ("**CDIs**"). Endeavour was delisted from the official list of the ASX as of January 11, 2016 (the "**Delisting Date**"). In connection with the delisting, as set out in the previous letter to CDI holders dated January 15, 2016, the CDI program ended and there are no longer any holders of CDIs. Persons who were registered holders of CDIs as at the Delisting Date continued to have a beneficial interest in the same Endeavour Shares which were underlying the CDIs ("**Beneficial Interest Holders**"). These beneficial interests are held in trust by CHESS Depository Nominees Pty Limited ("**CDN**").

Beneficial Interest Holders who still held beneficial interests in the Endeavour Shares underlying the former CDIs as at the record date for the Meeting, being March 15, 2016, are entitled to vote at the Meeting. Instructions for how you can vote at the Meeting are set forth under the heading "*General Proxy Information*" in the accompanying management information circular of Endeavour.

Endeavour appreciates your support and encourages you to lodge your votes ahead of the Meeting.

DATED at Monaco as of March 15, 2016.

By Order of the Board of Directors

"*Neil Woodyer*"
Neil Woodyer
Chief Executive Officer & Director

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2016 MANAGEMENT INFORMATION CIRCULAR

This Circular has been prepared for the holders of Endeavour Shares in connection with the Meeting. References in this Circular to the Meeting include any adjournment(s) or postponement(s) thereof.

In this Circular, "you", "your" and "shareholder" refer to direct and indirect holders of Endeavour Shares and "we", "us", "our", "Endeavour" and the "Corporation" refer to Endeavour Mining Corporation, unless otherwise indicated.

Information in this Circular is as of March 15, 2016, unless otherwise indicated. Adriaan "Attie" Roux, Chief Operating Officer of Endeavour, is a Qualified Person under NI 43-101, and has reviewed and approved the technical information in this Circular except if noted otherwise.

NOTICE TO UNITED STATES SECURITYHOLDERS

Endeavour is an exempted company incorporated with limited liability in the Cayman Islands. The proxy solicitation rules under Section 14(a) of the U.S. Exchange Act are not applicable to Endeavour or this solicitation, and, accordingly, this solicitation is not being effected in accordance with such rules. Securityholders should be aware that disclosure requirements under Canadian securities laws may be different from requirements under the U.S. Exchange Act.

Information concerning the properties and operations of True Gold and Endeavour has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Unless otherwise indicated, all mineral reserve and mineral resource estimates included or incorporated by reference in this Circular have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum definitions and classification system. NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Canadian standards, including NI 43-101, differ significantly from the requirements of the SEC, and mineral reserve and mineral resource information contained or incorporated by reference in this Circular may not be comparable to similar information disclosed by United States companies. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserve". Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Among other things, all necessary permits would need to be in hand or issuance imminent in order to classify mineralized material as reserves under SEC standards. The SEC's disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by United States standards in documents filed with the SEC. United States investors should also understand that "inferred mineral resources" have an even greater amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a category having a higher degree of certainty. Under Canadian rules, estimates of "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to

assume that all or any part of an "inferred mineral resource" exists or is economically or legally mineable. Disclosure of "contained tonnes" in a mineral resource estimate is permitted disclosure under NI 43-101 provided that the grade or quality and the quantity of each category is stated; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of the SEC, and reserves reported in compliance with NI 43-101 may not qualify as "reserves" under SEC standards. Accordingly, information contained in this Circular and the documents incorporated by reference herein containing descriptions of mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the U.S. federal securities laws and the rules and regulations thereunder.

Financial information included in this Circular has been prepared in accordance with International Financial Reporting Standards, which differ from U.S. generally accepted accounting principles in certain material respects, and thus it may not be comparable to financial statements of U.S. companies.

The enforcement by securityholders of civil liabilities under U.S. securities laws may be affected adversely by the fact that Endeavour is incorporated or organized outside the United States, that some or all of its directors and officers and the experts named in this Circular are not residents of the United States and that all or a substantial portion of its assets and said persons may be located outside the United States. As a result, it may be difficult or impossible for U.S. securityholders to effect service of process within the United States upon Endeavour, its officers and directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, U.S. securityholders should not assume that courts outside of the U.S.: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Circular, including the pro forma financial information included herein and certain of the material incorporated by reference into this Circular contain "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the *United States Private Securities Litigation Reform Act of 1995* (collectively, "forward-looking statements"). These forward-looking statements are made as of the date of this Circular or as of the date of the document from which they are incorporated by reference.

Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of Endeavour and True Gold regarding future events, and include, but are not limited to, statements with respect to the timing and implementation of the proposed Arrangement, the anticipated benefits of the Arrangement, the integration of Endeavour and True Gold following the Arrangement, estimation of mineral reserves and mineral resources, availability of cash flow to fund capital requirements, the timing and amount of estimated future production, availability of project financing, and success of mining and development operations. Material factors and assumptions upon which such forward-looking statements are based include: that the required approvals will be obtained from the Endeavour Shareholders and True Gold Securityholders; that all required third party, court, regulatory and governmental approvals for the Arrangement will be obtained; assumptions made in connection with the preparation of the pro forma financial statements included herein; that all other conditions to the completion of the Arrangement will be

satisfied or waived; that the future business operations and prospects of Endeavour and True Gold will be consistent with Endeavour and True Gold's current expectations; synergies and related benefits of the Arrangement will be realized; and that projections are accurate, including projections respecting the long term metals and consumable commodity prices and foreign exchange rates. These assumptions are based on factors and events that are not within the control of Endeavour or True Gold and there is no assurance they will prove to be correct.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "potential", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "will", "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Endeavour and True Gold to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A variety of material factors include, among others: the Arrangement Agreement being terminated in certain circumstances; the terms of the Arrangement Agreement restricting third parties from making an Acquisition Proposal; certain conditions precedent to the Arrangement not being satisfied; Endeavour incurring certain costs even if the Arrangement is not completed; and failure to complete the Arrangement, could negatively impact the market price of Endeavour Shares and future business and financial results; a "market overhang" could adversely affect the market price of Endeavour Shares after completion of the Arrangement; the integration of Endeavour and True Gold may not occur as planned; Endeavour and True Gold being exposed to certain risks associated with operating in West Africa; Endeavour, upon completion of the Arrangement, may be subject to significant capital requirements and operating risks associated with its expanded operations and its expanded portfolio of growth projects; as well as those risks described under the headings "*Risk Factors – Risks Relating to the Business of Endeavour*" and "*Risk Factors – Risks Relating to the Business of True Gold and New Endeavour*" in this Circular, the risks relating to Endeavour and True Gold in each of their most recent annual information forms, as well as any other risk factors detailed from time to time in Endeavour's and True Gold's condensed interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review on SEDAR at www.sedar.com. Although each of Endeavour and True Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Endeavour and True Gold provide no assurances that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Endeavour and True Gold do not intend, and do not assume any obligation, to update any forward-looking statements, other than as required by applicable law. Accordingly, readers should not place undue reliance on forward-looking statements.

INFORMATION CONCERNING TRUE GOLD

All of the information concerning True Gold contained in this Circular has been taken from or is based upon publicly available documents, records and information available on SEDAR or other public sources or has been provided by True Gold for inclusion in this Circular. Pursuant to the Arrangement Agreement, True Gold has covenanted to provide to Endeavour all information regarding True Gold, its subsidiaries and the True Gold Shares as required by applicable laws, and to ensure that such information does not contain a misrepresentation. Although Endeavour has no knowledge that would indicate that any statements contained herein concerning True Gold taken from or based upon such documents, records and information contains a misrepresentation, neither Endeavour nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, including any of True Gold's financial

statements or True Gold's mineral reserve and mineral resource estimates, or for any failure by True Gold to disclose events or facts which may have occurred or which may affect the significance or accuracy of any such information but which are unknown to Endeavour. Endeavour has limited means of verifying the accuracy or completeness of any of the information contained herein that is derived from True Gold's publicly available documents, records or information or whether there has been any failure by True Gold to disclose events that may have occurred or may affect the significance or accuracy of any information.

For further information regarding True Gold, please refer to True Gold's filings with the Canadian Securities Administrators which may be obtained on its profile on the SEDAR website at www.sedar.com.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

Unless otherwise indicated, all references in this Circular to "US$" refer to United States dollars and references to "C$" refer to Canadian dollars. Endeavour's financial statements incorporated by reference herein are reported in United States dollars and are prepared in accordance with International Financial Reporting Standards. True Gold's financial statements incorporated by reference herein are reported in United States dollars and are prepared in accordance with International Financial Reporting Standards.

CURRENCY EXCHANGE RATE INFORMATION

The following table sets forth the high and low exchange rates for one U.S. dollar expressed in Canadian dollars for each period indicated, the average of the exchange rates for each period indicated and the exchange rate at the end of each such period, based upon the noon buying rates provided by the Bank of Canada:

	Month Ended	**Year Ended December 31**		
C$	**February 29, 2016**	**2015**	**2014**	**2013**
High	1.4040	1.3990	1.1643	1.0697
Low	1.3523	1.1728	1.0614	0.9839
Rate at end of period	1.3523	1.3840	1.1601	1.0636
Average rate for period	1.3796	1.2787	1.1045	1.0299

On March 15, 2016, the exchange rate for one U.S. dollar expressed in Canadian dollars based upon the noon buying rates provided by the Bank of Canada was C$1.3359.

GLOSSARY OF TERMS

In this Circular, unless otherwise defined herein or unless there is something in the subject matter inconsistent therewith, the following terms have the respective meanings set out below, words importing the singular number include the plural and vice versa and words importing any gender include all genders.

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only True Gold and/or one or more of its wholly-owned subsidiaries, any offer, proposal or inquiry (written or oral) from any person or group of persons other than Endeavour (or any affiliate of Endeavour or any person acting in concert with Endeavour or any affiliate of Endeavour) after the date of the Arrangement Agreement relating to: (a) any acquisition or purchase, direct or indirect, of: (i) the assets of True Gold and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of True Gold and its subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of True Gold and its subsidiaries, taken as a whole, or (ii) 20% or more of the issued and outstanding voting or equity securities of: (A) True Gold; or (B) any one or more of its subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of True Gold and its subsidiaries, taken as a whole; (b) any take-over bid, tender offer or exchange offer that, if consummated, would result in such person or group of persons beneficially owning 20% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of True Gold; (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving: (A) True Gold; or (B) any of its subsidiaries whose assets or revenues, individually or in the aggregate, constitute 20% or more of the consolidated assets or revenues, as applicable, of True Gold and its subsidiaries, taken as a whole; (d) a joint venture or earn-in right relating to 20% or more of True Gold's consolidated assets; or (e) a sale relating to 20% or more of True Gold's consolidated assets (or any lease, long-term supply or off-take agreement, hedging arrangement or other transaction having the same economic effect as a sale of such assets).

"**affiliate**" has the meaning specified in *National Instrument 45-106 – Prospectus Exemptions* of the Canadian Securities Administrators in effect as of the Record Date.

"**AISC**" means all-in sustaining cost.

"**Arrangement**" means the arrangement, to be carried out by way of a plan of arrangement under Section 288 of the BCBCA, involving Endeavour, Endeavour Gold, True Gold and the True Gold Securityholders, subject to and in accordance with the Arrangement Agreement.

"**Arrangement Agreement**" means the arrangement agreement dated March 3, 2016 between Endeavour, Endeavour Gold and True Gold as it may be further amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms.

"**Arrangement Consideration**" means the consideration to be provided to the True Gold Securityholders under the terms of the Arrangement Agreement.

"**Arrangement Resolution**" means the resolution of Endeavour Shareholders approving the issuance of the New Endeavour Shares in accordance with the Arrangement, as set out on page 39 of this Circular.

"**ASX**" means ASX Limited or, as the context requires, the Australian Securities Exchange operated by it.

"**Avion**" means Avion Gold Corporation.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as may be amended from time to time.

"**Broadridge**" means Broadridge Financial Solutions, Inc.

"**Business Day**" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia, George Town, Grand Cayman and Monaco.

"**CDI**" means a CHESS Depositary Interest of Endeavour in respect of an Endeavour Share.

"**CDN**" means CHESS Depositary Nominees Pty Ltd., a wholly-owned subsidiary of ASX.

"**Circular**" means this management information circular.

"**Companies Law**" means the *Companies Law (2013 Revision)* of the Cayman Islands, as may be amended from time to time.

"**Computershare**" means Computershare Investor Services Inc., Endeavour's registrar and transfer agent.

"**Confidentiality Agreement**" means the confidentiality agreement between Endeavour and True Gold dated September 9, 2015.

"**Court**" means the Supreme Court of British Columbia.

"**Convertible Loan**" means the US$15,000,000 unsecured term loan from Endeavour (or an affiliate thereof) to True Gold (or one of its affiliates) to be made pursuant to the terms of the Convertible Loan Agreement.

"**Convertible Loan Agreement**" means the convertible loan agreement dated March 3, 2016 between TGM Finance, True Gold and Endeavour.

"**D.F. King**" means the proxy solicitation agent retained by Endeavour.

"**Disinterested Shareholder Approval**" means, in connection with the La Mancha Placement Resolution, approval of a simple majority of the Endeavour Shareholders with the votes attached to the 17,706,157 Endeavour Shares beneficially owned or controlled by La Mancha as of the date of this Circular excluded for the purposes of the vote, as required by Section 607(g)(ii) of the TSX Manual.

"**Dissenting Shareholder**" means a True Gold Shareholder who exercises his, her or its dissent rights as provided in the Arrangement Agreement.

"**Effective Date**" means the date upon which all of the conditions to the completion of the Arrangement as set out in Sections 6.1, 6.2 and 6.3 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement and all documents agreed to be delivered thereunder have been delivered.

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date.

"**Endeavour**" means Endeavour Mining Corporation, an exempted company with limited liability incorporated under the laws of the Cayman Islands.

"**Endeavour Board**" means the board of directors of Endeavour as constituted from time to time.

"**Endeavour Gold**" means Endeavour Gold Corporation, an exempted company with limited liability incorporated under the laws of the Cayman Islands that is a wholly-owned subsidiary of Endeavour.

"**Endeavour Locked-up Shareholders**" means, collectively, Messrs. Michael E. Beckett, Ian Cockerill, Frank Giustra, Ian Henderson, Wayne McManus, Sébastian de Montessus, Miguel Rodriguez, Naguib Sawiris, Neil Woodyer, Vincent Benoit, Patrick Bouisset, Douglas Bowlby, Morgan Carroll, Ota Hally, Jeremy Langford, Adriaan Roux and Richard Thomas, being the directors and executive officers of Endeavour, and La Mancha, all of whom are parties to the Endeavour Support Agreements.

"**Endeavour Material Adverse Effect**" means any one or more changes, effects, events or occurrences that, individually or in the aggregate, is, or could reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, properties, capitalization, financial condition, liabilities (contingent or otherwise) or prospects (whether contractual or otherwise) of Endeavour and its material subsidiaries, taken as a whole, other than any change, effect, event or occurrence: (i) in or relating to general political, economic or financial conditions in Mali, Ghana, Burkina Faso or Côte d'Ivoire; (ii) in or relating to the state of securities markets in general, including any reduction in market indices; (iii) in or relating to currency exchange rates; (iv) in or relating to the industries in which Endeavour and its material subsidiaries operate in general or the market for gold in general; (v) in or relating to GAAP or regulatory accounting requirements; (vi) in or relating to any applicable laws or any interpretation thereof by any Governmental Entity; or (vii) relating to a change in the market trading price of the Endeavour Shares either (A) related to the Arrangement Agreement and the Arrangement or the announcement thereof or (B) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of "Endeavour Material Adverse Effect" under subsections (i) to (vi) above; provided, however, that such effect referred to in subsections (ii) to (vi) above does not primarily relate to (or have the effect of primarily relating to) Endeavour or its material subsidiaries or disproportionately adversely affect Endeavour and its material subsidiaries, taken as a whole, compared to other companies of similar size operating in the industry in which Endeavour and its material subsidiaries operate or results from any change in laws or in the interpretation, application or non-application of laws by any Governmental Entity (including all related fiscal regimes) which results in any expropriation or other proceedings alleging illegality or irregularity of any material contract or license undertaken by Governmental Entities or suspension or revocation, or proposed or alleged suspension or revocation or allegation of illegality, of any authorization, consent, approval, license or material contract with any Governmental Entity; and references in the Arrangement Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether an "Endeavour Material Adverse Effect" has occurred.

"**Endeavour Option Plan**" means the amended and restated stock option plan of Endeavour effective June 18, 2015, approved by Endeavour Shareholders at a meeting held on June 18, 2015.

"**Endeavour Options**" means the outstanding options to purchase Endeavour Shares granted under the Endeavour Option Plan.

"**Endeavour Proposal**" means any offer, proposal or inquiry (written or oral) from any person or group of persons other than True Gold (or any affiliate of True Gold or any person acting in concert with True Gold or any affiliate of True Gold) after the date of the Arrangement Agreement relating to: (a) any acquisition or purchase, direct or indirect, of: (i) the assets of Endeavour and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 50% or more of the consolidated assets of Endeavour and its subsidiaries, taken as a whole, or which contribute 50% or more of the consolidated revenue of Endeavour and its subsidiaries, taken as a whole, or (ii) 50% or more of the issued and outstanding voting or equity securities of: (A) Endeavour; or (B) any one or more of Endeavour's subsidiaries that, individually or in the aggregate, contribute 50% or more of the consolidated revenues or constitute 50% or more of the

consolidated assets of Endeavour and its subsidiaries, taken as a whole; (b) any take-over bid, tender offer or exchange offer that, if consummated, would result in such person or group of persons beneficially owning 50% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of Endeavour; (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving: (A) Endeavour; or (B) any of Endeavour's subsidiaries whose assets or revenues, individually or in the aggregate, constitute 50% or more of the consolidated assets or revenues, as applicable, of Endeavour and its subsidiaries, taken as a whole; (d) a joint venture or earn-in right relating to 50% or more of Endeavour's consolidated assets; or (e) a sale relating to 50% or more of Endeavour's consolidated assets (or any lease, long-term supply or off-take agreement, hedging arrangement or other transaction having the same economic effect as a sale of such assets).

"**Endeavour Shareholder Approval**" means the approval by the Endeavour Shareholders of the Arrangement Resolution at the Meeting, in accordance with the policies of the TSX, the Companies Law and Endeavour's articles of association.

"**Endeavour Shareholders**" means the holders of Endeavour Shares.

"**Endeavour Shares**" means ordinary shares in the capital of Endeavour, each with a par value of US$0.10.

"**Endeavour SubCo**" means an unlimited liability company to be incorporated under the laws of British Columbia and which will be a direct wholly-owned subsidiary of Endeavour Gold.

"**Endeavour Support Agreements**" means the voting and support agreements dated March 3, 2016 between True Gold and the Endeavour Locked-up Shareholders (as may be amended from time to time) setting forth the terms and conditions on which the Endeavour Locked-up Shareholders have agreed, among other things, to vote their Endeavour Shares in favour of the Arrangement Resolution at the Meeting.

"**Exchange Ratio**" means 0.044 of an Endeavour Share for each True Gold Share.

"**Exchangeable Shares**" means non-voting redeemable preferred shares in the capital of Avion.

"**Final Order**" means the final order of the Court pursuant to Section 291 of the BCBCA, in a form acceptable to True Gold and Endeavour, each acting reasonably, approving the Arrangement as such order may be amended by the Court (with the consent of both True Gold and Endeavour, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided, however, that any such amendment is acceptable to both True Gold and Endeavour, each acting reasonably) on appeal.

"**Governmental Entity**" means: (i) any governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, tribunal, board, bureau, agency, commissioner or instrumentality, whether international, multinational, national, federal, provincial, state, county, municipal, local, or other; (ii) any subdivision or authority of any of the above; (iii) any stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"**Interim Order**" means the interim order of the Court pursuant to Section 291 of the BCBCA, in a form acceptable to True Gold and Endeavour, each acting reasonably, providing for, among other things, the calling and holding of the True Gold Meeting;

"**Investor Rights Agreement**" means the investor rights agreement dated September 18, 2015 between Endeavour and La Mancha.

"**Karma Project**" means the Karma gold heap-leach construction stage project located in Burkina Faso, in which True Gold holds a 90% interest.

"**La Mancha**" means La Mancha Holding S.àr.l.

"**La Mancha Anti-Dilution Right**" means the anti-dilution right of La Mancha under the Investor Rights Agreement which allows La Mancha to subscribe for Endeavour Shares in order to maintain its percentage ownership interest in Endeavour in connection with an issuance by Endeavour of Endeavour Shares or securities convertible into Endeavour Shares, as a result of which right, La Mancha and Endeavour entered into the La Mancha Subscription Agreement.

"**La Mancha Placement Resolution**" means the resolution of Endeavour Shareholders approving the issuance of 1,642,736 Endeavour Shares to La Mancha under the La Mancha Private Placement, being that number of Endeavour Shares under the La Mancha Private Placement in excess of 10% of the number of Endeavour Shares outstanding as of the date of the La Mancha Subscription Agreement, as set out on page 54 of this Circular, which approval is required by Section 607(g)(ii) of the TSX Manual.

"**La Mancha Private Placement**" means the private placement of 7,546,775 Endeavour Shares to La Mancha pursuant to the La Mancha Subscription Agreement, which is subject to, among other things, completion of the Arrangement.

"**La Mancha Subscription Agreement**" means the subscription agreement dated March 3, 2016 between La Mancha and Endeavour, pursuant to which, subject to the completion of the Arrangement, La Mancha has agreed to subscribe for 7,546,775 Endeavour Shares at a price of C$10.94 per share for proceeds to Endeavour of approximately C$82,561,718.50.

"Meeting" means the special meeting of Endeavour Shareholders to be held at Bureau 76, 7 Boulevard des Moulins, 98000 Monaco on April 21, 2016 at 4:00 p.m. (CET), including any postponement or adjournment thereof.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions*.

"**New Endeavour**" means Endeavour following completion of the Arrangement.

"**New Endeavour Shares**" means the Endeavour Shares to be issued or delivered to former True Gold Shareholders in connection with the Arrangement.

"**NI 43-101"** means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators in effect as of the Record Date.

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators in effect as of the Record Date.

"**NOBO**" means non-objecting beneficial owner.

"**Notice of Meeting**" means the Notice of Special Meeting of Shareholders accompanying this Circular.

"**OBO**" means objecting beneficial owner.

"**Outside Date**" means July 31, 2016.

"**Person**" means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

"**Plan of Arrangement**" means the plan of arrangement substantially in the form of Schedule A hereto, and any amendments or variations made in accordance with the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of True Gold and Endeavour, each acting reasonably.

"**Record Date**" means the record date to determine the entitlement of Endeavour Shareholders to vote at the Meeting, being March 15, 2016.

"**Replacement Options**" means the options to acquire Endeavour Shares to be issued under the Arrangement on the Effective Time to former holders of True Gold Options.

"**SEC**" means the United States Securities and Exchange Commission.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Securities Act**" means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as may be amended from time to time.

"**Share Capital Increase**" means the proposed increase in the authorized share capital of Endeavour from US$20,000,000 divided into 100,000,000 Endeavour Shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, to US$30,000,000 divided into 200,000,000 Endeavour Shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10.

"**Share Capital Resolution**" means the resolution of Endeavour Shareholders approving the Share Capital Increase, as set out on page 56 of this Circular.

"**subsidiary**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemption*s of the Canadian Securities Administrators in effect as of the Record Date.

"**Superior Proposal**" means any unsolicited bona fide written Acquisition Proposal from a person who is an arm's length third party to acquire not less than all of the outstanding True Gold Shares or all or substantially all of the assets of True Gold on a consolidated basis that: (i) complies with applicable securities laws and did not result from or involve a breach of the non-solicitation provisions of the Arrangement Agreement; (ii) is reasonably capable of being completed without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the Person making such proposal; (iii) is not subject to any financing contingency and in respect of which it has been demonstrated to the satisfaction of the True Gold Board, acting in good faith (after receipt of advice from its financial advisers) that any required financing to complete such Acquisition Proposal is reasonably likely to be obtained; (iv) is not subject to any due diligence or access condition; (v) to the extent that such Acquisition Proposal involves the acquisition of outstanding True Gold Shares, is made available to all True Gold Shareholders, on the same terms and conditions; and (vi) that the True Gold Board determines, in its good faith judgment, after receiving the advice of its outside legal and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition

Proposal and the person making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to the True Gold Shareholders than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by Endeavour pursuant to the non-solicitation provisions of the Arrangement Agreement).

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as may be amended from time to time.

"**TGM Finance**" means TGM Finance Corp., a company incorporated under the laws of Barbados and a wholly-owned subsidiary of True Gold.

"**Transfer Agent**" means the transfer agent and registrar of Endeavour, being Computershare Investor Services Inc.

"**True Gold**" means True Gold Mining Inc., a corporation existing under the laws of British Columbia, Canada.

"**True Gold Arrangement Resolution**" means the special resolution of the True Gold Shareholders and True Gold Securityholders, each voting as a single class, approving the Plan of Arrangement which is to be considered at the True Gold Meeting.

"**True Gold Board**" means the board of directors of True Gold as the same is constituted from time to time.

"**True Gold DSUs**" means the outstanding deferred share units of True Gold granted under the True Gold DSU Plan.

"**True Gold DSU Plan**" means the deferred share unit plan of True Gold effective June 14, 2014, approved by True Gold Shareholders at a meeting held on June 14, 2014.

"**True Gold Material Adverse Effect**" means any one or more changes, effects, events or occurrences that, individually or in the aggregate, is, or could reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, properties, capitalization, financial condition, liabilities (contingent or otherwise), prospects or privileges (whether contractual or otherwise) of True Gold and its subsidiaries, taken as a whole, other than any change, effect, event or occurrence: (i) in or relating to general political, economic or financial conditions in Burkina Faso; (ii) in or relating to the state of securities markets in general, including any reduction in market indices; (iii) in or relating to currency exchange rates; (iv) in or relating to the industries in which True Gold and its subsidiaries operate in general or the market for gold in general; (v) in or relating to GAAP or regulatory accounting requirements; (vi) in or relating to any applicable laws or any interpretation thereof by any Governmental Entity; (vii) in or relating to a change in the market trading price of the True Gold Shares either (A) related to the Arrangement Agreement and the Arrangement or the announcement thereof or (B) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of "True Gold Material Adverse Effect" under subsections (i) to (vi) above; provided, however, that such effect referred to in subsections (ii) to (vi) above does not primarily relate to (or have the effect of primarily relating to) True Gold or its subsidiaries or disproportionately adversely affect True Gold and its subsidiaries, taken as a whole, compared to other companies of similar size operating in the industry in which True Gold and its subsidiaries operate or results from any change in laws or in the interpretation, application or non-application of laws by any Governmental Entity (including all related fiscal regimes) which results in any expropriation or other proceedings alleging illegality or irregularity of any material contract or license undertaken by Governmental Entities or suspension or revocation, or proposed or alleged suspension or revocation or allegation of illegality, of any

authorization, consent, approval, license or material contract with any Governmental Entity; and references in the Arrangement Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether an "True Gold Material Adverse Effect" has occurred.

"**True Gold Meeting**" means the meeting of True Gold Securityholders to be ordered by the Court and convened under Section 288 of the BCBCA in relation to the Arrangement, and includes any adjournment or postponement of that meeting.

"**True Gold Optionholders**" means the holders of True Gold Options.

"**True Gold Option Plan**" means the 10% rolling stock option plan of True Gold effective June 15, 2015, approved by True Gold Shareholders at a meeting held on June 15, 2015.

"**True Gold Options**" means the outstanding options to purchase True Gold Shares granted under the True Gold Option Plan or the predecessor thereto which are now governed by the True Gold Option Plan.

"**True Gold RSUs**" means the outstanding restricted share units of True Gold granted under the True Gold RSU Plan.

"**True Gold RSU Plan**" means the restricted share unit plan of True Gold effective June 14, 2014, approved by True Gold Shareholders at a meeting held on June 14, 2014.

"**True Gold SARs**" means the share appreciation rights issued under the True Gold SAR Agreements.

"**True Gold SAR Agreements**" means, collectively, the share appreciation rights agreements pursuant to which True Gold has granted certain True Gold officers and employees True Gold SARs.

"**True Gold Securities**" means True Gold Shares and True Gold Options.

"**True Gold Securityholder Approval**" means approval of the Arrangement by: (a) 66 2/3% of the number of True Gold Shareholders present in person or by proxy and voting at the True Gold Meeting as a single class; (b) 66 2/3% of the number of True Gold Securityholders present in person or by proxy and voting at the True Gold Meeting as a single class; and (c) a simple majority of True Gold Shareholders present in person or by proxy and voting at the True Gold Meeting, excluding the holders of True Gold Shares required to be excluded for the purposes of MI 61-101.

"**True Gold Securityholders**" means True Gold Shareholders and True Gold Optionholders.

"**True Gold Shares**" means common shares in the authorized share capital of True Gold outstanding prior to the Effective Time.

"**True Gold Shareholders**" means the holders of True Gold Shares.

"**TSX**" means the Toronto Stock Exchange.

"**TSX Manual**" means the TSX Company Manual.

"**TSX-V**" means the TSX Venture Exchange.

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder from time to time.

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**VIF**" means voting instruction form.

"**Voting Agreement**" means the voting and exchange trust agreement dated October 18, 2012 among Endeavour, Avion, Computershare, as trustee, and certain subsidiaries of Endeavour.

"**VWAP**" means volume weighted average price.

Q & A ON THE ARRANGEMENT AND RELATED MATTERS

This Circular is dated March 15, 2016 and, unless otherwise stated, the information in this Circular is as of March 15, 2016. For ease of reference, a glossary of capitalized terms used in this Circular can be found starting at page 5 of this Circular.

What is this document?

This Circular is a management information circular sent to Endeavour Shareholders in advance of a special meeting of Endeavour Shareholders to be held in connection with the proposed acquisition of True Gold by Endeavour and the related La Mancha Private Placement. This Circular provides additional information respecting the business of the Meeting. References in this Circular to the Meeting include any adjournment or postponement that may occur. A form of proxy or VIF accompanies this Circular.

When and where is the Meeting?

The Meeting will be held at Bureau 76, 7 Boulevard des Moulins, 98000 Monaco on April 21, 2016 at 4:00 p.m. (CET).

Why is the Meeting being held?

The Meeting is being held in order to approve the issuance of Endeavour Shares in connection with the acquisition of True Gold. Under Section 611(c) of the TSX Manual, a listed company is required to obtain shareholder approval in connection with an acquisition where the number of securities issued or issuable in payment of the purchase price for the acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the acquisition. **As the Arrangement will result in Endeavour issuing in excess of 25% of the outstanding Endeavour Shares, Endeavour Shareholder approval is required. It is a condition of the Arrangement that the Arrangement Resolution be approved by a simple majority (50% plus one) of votes cast at the Meeting by Endeavour Shareholders, present in person or by proxy.** Endeavour is seeking the approval of Endeavour Shareholders to issue up to 18,945,248 New Endeavour Shares in connection with the Arrangement, representing approximately 32.09% of the 59,040,392 Endeavour Shares outstanding as at March 3, 2016, the date of the Arrangement Agreement.

The Meeting is also being held in order to approve the La Mancha Placement Resolution. Under Section 607(g)(ii) of the TSX Manual, a listed company is required to obtain disinterested shareholder approval for a private placement that results, in any six month period, in the issuance of securities of the listed issuer to an insider of the listed issuer in excess of 10% of the number of securities of the listed issuer that are outstanding, on a non-diluted basis, before closing of the private placement. As the La Mancha Private Placement will result in the issuance of 7,546,775 Endeavour Shares, representing 12.78% of the issued and outstanding Endeavour Shares as of March 3, 2016, the date of the La Mancha Subscription Agreement, Endeavour is seeking the approval of Endeavour Shareholders for the La Mancha Placement Resolution. The La Mancha Placement Resolution approves the issuance of 1,642,736 Endeavour Shares to La Mancha in connection with the La Mancha Private Placement, being that number of Endeavour Shares under the La Mancha Private Placement in excess of 10% of the number of Endeavour Shares outstanding as of the date of the La Mancha Subscription Agreement, which will result in additional proceeds to Endeavour of approximately C$18 million. The La Mancha Placement Resolution requires the approval of a simple majority of the Endeavour Shareholders, with the votes attaching to the Endeavour Shares held by La Mancha excluded from such vote, being the Disinterested Shareholder Approval. Approval by Endeavour

Shareholders of the La Mancha Placement Resolution is not a condition to the completion of the Arrangement with True Gold.

In addition, the Meeting is also being held in order to approve the Share Capital Resolution. Pursuant to the Companies Law, an ordinary resolution of shareholders is required in order to increase the authorized share capital of a Cayman company limited by shares. Accordingly, Endeavour is seeking the approval of Endeavour Shareholders under the Share Capital Resolution to, if and when the Endeavour Board resolves to do so, within 12 months of the date of the Share Capital Resolution, increase the authorized share capital of Endeavour from US$20,000,000 divided into 100,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, to US$30,000,000 divided into 200,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10. Approval by Endeavour Shareholders of the Share Capital Resolution is not a condition to the completion of the Arrangement with True Gold.

Why is Endeavour proposing to acquire True Gold and complete the La Mancha Private Placement?

In reaching its decision to approve the Arrangement and its recommendation that Endeavour Shareholders vote in favour of the Arrangement Resolution, the Endeavour Board considered the positive results of the due diligence review conducted by management and Endeavour's financial, technical and legal advisors, as well as the following background and attributes:

- *Low-cost gold production growth*. True Gold has a 90% interest in the Karma Project in Burkina Faso, which is nearing production start-up with first gold pour anticipated in late March to early April 2016. Through the acquisition of True Gold, Endeavour would acquire a new mine with a forecast gold production rate of approximately 110,000 - 120,000 ounces per year at a low AISC of approximately US$700/oz in years 1 to 5, and with a mine life of 8.5 years based on current reserves.
- *'Buy and Build' strategy*. The True Gold acquisition is consistent with Endeavour's successful 'buy-and-build' strategy and firmly positions Endeavour as one of West Africa's premier gold miners. The Karma Project provides a meaningful upgrade to the recently divested Youga Mine and emphasizes management's dedication to proactive asset management and cash flow maximization.
- *Complementary fit with Endeavour's operations and expected efficiencies*. Endeavour will integrate the Karma Project into its existing West African operations management structure and anticipates eliminating approximately US$6 million per annum of True Gold corporate G&A expense.
- *Increased Resource and Reserve base*. Endeavour's attributable Proven and Probable reserves will increase by 19% to 5.4 million ounces and Measured and Indicated resources will increase by 39% to 10.2 million ounces, while Inferred resources will increase by 123% to 3.9 million ounces (see table on page 73 of the Circular).
- *Unlocking value at the Karma Project*. In connection with the Arrangement, Endeavour is providing a US$15 million convertible bridge loan to True Gold to ensure True Gold remains funded as it completes construction of the Karma Project. Currently, True Gold has drawn US$105 million of its US$120 million gold streaming facility with Franco-Nevada Corporation and Sandstorm Gold Ltd. Endeavour is providing the Convertible Loan as a financing alternative that allows True Gold to maintain its current liquidity without additional gold streaming. Endeavour's enhanced ability to finance an expanded exploration strategy at the Karma Project is also expected to generate significant value.

- *Valuation Upside*. The growth in low-cost gold production, and the further improved balance sheet profile and liquidity following the La Mancha Private Placement, allows Endeavour, firstly, to accelerate the construction of the Houndé Project, and secondly, to finance an expanded exploration strategy at both the Karma Project and Endeavour's other mines and development projects. A new long-term West African exploration strategy funded by this existing liquidity and by internal cash generation is expected to become a major pillar driving long-term value for Endeavour. The exploration strategy will be designed to extend existing mine life by converting current resources to reserves, and to identify additional new resources and reserves.
- *Anti-dilution investment of C$82.6 million*. The La Mancha Anti-Dilution Right permits La Mancha to subscribe for additional Endeavour Shares to maintain its current 30% ownership interest. Upon completion of the True Gold acquisition, La Mancha has committed to purchase approximately 7.5 million Endeavour Shares at a price of C$10.94 (in line with the 20-day trailing VWAP of Endeavour Shares on March 3, 2016) for proceeds of approximately C$82.6 million.
- *Financial Strength*. Endeavour's cash balance and available commitments from its revolving credit facility totaled US$220 million, as of December 31, 2015. Including the US$20 million proceeds received from the sale of the Youga Mine on February 29, 2016 and the La Mancha Private Placement increases the available liquidity to over US$300 million.
- *Capital preservation for Growth*. Through an all-stock transaction, Endeavour is able to acquire True Gold while retaining its financial capital to fund its pipeline of attractive growth opportunities.
- *Enhanced Capital Markets Profile*. With a combined pro forma market capitalization of approximately C$1.08 billion (March 3, 2016 pre-acquisition announcement date basis), Endeavour expects to benefit from improved market visibility including the potential to attract a wider group of investors as well as increased trading liquidity and broadened analyst coverage.

Who is eligible to vote?

Holders of Endeavour Shares (either directly or through an intermediary) or Exchangeable Shares as of 4:00 p.m. (PST) on March 15, 2016 are eligible to vote.

Beneficial holders of Endeavour Shares, that are eligible to vote, include former CDI holders who held a beneficial interest in the Endeavour Shares underlying the former CDIs as of 4:00 p.m. (PST) on March 15, 2016.

How is the Arrangement being implemented?

The Arrangement involves the acquisition by Endeavour of True Gold, subject to satisfaction or waiver of certain conditions. The Arrangement will be implemented by way of a court-approved plan of arrangement under the BCBCA. Under the terms of the Arrangement, all True Gold Shares will be transferred and assigned to Endeavour SubCo and the former holders of such True Gold Shares will receive 0.044 of an Endeavour Share for each True Gold Share held immediately before the Arrangement.

Under the Arrangement, the True Gold Options will also be exchanged on the basis of the Exchange Ratio. Each True Gold Option that has not been exercised prior to the Effective Date will be exchanged for a Replacement Option of Endeavour entitling the former holder of such True Gold Option to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at a modified exercise price applying the Exchange Ratio of 0.044 to the original exercise price of such True Gold Option. Each Replacement Option will be exercisable for a period of: (i) 180 days following the Effective Date; or (ii) 12 months following the Effective Date for certain True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreements with True Gold.

Immediately before the Effective Time, all outstanding True Gold DSUs and True Gold RSUs will, in accordance with the terms of the True Gold DSU Plan and the True Gold RSU Plan, respectively, be settled through the issuance of True Gold Shares such that the former holders of such True Gold DSUs and True Gold RSUs, as applicable, will participate in the Arrangement on the same terms as the holders of the True Gold Shares.

Upon closing of the Arrangement, Endeavour will indirectly own all of the issued and outstanding shares of True Gold and True Gold will be an indirect wholly-owned subsidiary of Endeavour. Endeavour Shareholders will continue to hold their existing Endeavour Shares.

How is the La Mancha Private Placement being implemented?

Pursuant to the Investor Rights Agreement, La Mancha, an insider of Endeavour that holds 17,706,157 Endeavour Shares as of March 15, 2016, representing approximately 30% of the issued and outstanding Endeavour Shares, has a right to subscribe for additional Endeavour Shares following a share issuance by Endeavour in order to maintain a 30% ownership interest in Endeavour.

In entering into the La Mancha Subscription Agreement, La Mancha has committed to purchase 7,546,775 Endeavour Shares, conditional upon the completion of the Arrangement, in order to maintain its approximately 30% ownership interest in Endeavour. The 7,546,775 Endeavour Shares to be issued under the La Mancha Private Placement represents 12.78% of the issued and outstanding Endeavour Shares as of March 3, 2016, the date of the La Mancha Subscription Agreement

Within three business days of the completion of the Arrangement, pursuant to the La Mancha Private Placement, Endeavour will issue, and La Mancha will purchase, 7,546,775 Endeavour Shares at a price of C$10.94 per share, which represents a 10.56% discount to Endeavour's 5-day VWAP on the TSX as of March 3, 2016, the date of the La Mancha Subscription Agreement, for gross proceeds to Endeavour of approximately C$82.6 million. However, the purchase of 1,642,736 of the total 7,546,775 Endeavour Shares is subject to approval by Endeavour Shareholders of the La Mancha Placement Resolution. If that resolution does not pass, Endeavour will issue, and La Mancha will purchase, 5,904,039 Endeavour Shares at C$10.94 per share for gross proceeds to Endeavour of approximately C$64.6 million, representing 10% of the issued and outstanding Endeavour Shares as of March 3, 2016, the date of the La Mancha Subscription Agreement, and La Mancha will continue to have the right under the Investor Rights Agreement and the La Mancha Subscription Agreement, as applicable, to purchase additional Endeavour Shares, when permitted under the TSX Manual, to regain its 30% interest in Endeavour. A copy of the Investor Rights Agreement is available for review under Endeavour's SEDAR profile at www.sedar.com.

How is the Share Capital Increase being implemented?

If the Share Capital Resolution is approved by Endeavour Shareholders and the Endeavour Board determines to implement the Share Capital Increase, the Share Capital Increase will become effective on the date specified in a resolution of the Endeavour Board. On such date, the share capital of Endeavour will reflect the Share Capital Increase. Once the Share Capital Resolution is approved by Endeavour Shareholders, no further action on the part of the Endeavour Shareholders will be required in order for Endeavour to implement the Share Capital Increase.

When does Endeavour expect the Arrangement to be completed?

The completion of the Arrangement is subject to several conditions that must be satisfied or waived, including: True Gold Securityholder Approval, Endeavour Shareholder Approval, the approval of the Court, and satisfaction of government or regulatory conditions, including approval of the TSX. Assuming that all of the conditions to the Arrangement are satisfied, Endeavour expects that the Arrangement will become effective on or about April 26, 2016.

What does the Endeavour Board and management think of the Arrangement?

After careful consideration of the Arrangement, including the rationale set forth in "*The Arrangement – Reasons for the Arrangement*", the Endeavour Board has determined that entering into the Arrangement Agreement and completing the Arrangement, on the terms and conditions set out in the Arrangement Agreement, is in the best interests of Endeavour and unanimously RECOMMENDS that Endeavour Shareholders VOTE IN FAVOUR of the Arrangement Resolution.

Each member of the Endeavour Board and each executive officer has informed Endeavour that they intend to vote the voting rights attached to all Endeavour Shares over which they have control in favour of the Arrangement Resolution (subject to the terms of the Arrangement Agreement and the Endeavour Support Agreements) and have formally agreed with True Gold to do so by entering into the Endeavour Support Agreements.

What does the Endeavour Board think of the La Mancha Private Placement?

After careful consideration of the La Mancha Private Placement, the Endeavour Board has determined that entering into the La Mancha Subscription Agreement and completing the La Mancha Private Placement, on the terms and conditions set out in the La Mancha Subscription Agreement, is in the best interests of Endeavour and RECOMMENDS that Endeavour Shareholders VOTE IN FAVOUR of the La Mancha Placement Resolution.

Mr. Naguib Sawiris, one of the directors of Endeavour, had declared his interest in the La Mancha Private Placement and abstained from voting on the La Mancha Subscription Agreement and the La Mancha Private Placement. Mr. Sawiris declared an interest in the La Mancha Private Placement as a result of his position as Chairman of the Advisory Board of La Mancha. All other directors of Endeavour voted in favour of the La Mancha Subscription Agreement and the La Mancha Private Placement.

What does the Endeavour Board think of the Share Capital Increase?

The Endeavour Board has determined that the Share Capital Increase is in the best interests of Endeavour and unanimously RECOMMENDS that Endeavour Shareholders VOTE IN FAVOUR of the Share Capital Resolution.

What other conditions must be satisfied to complete the Arrangement?

The Arrangement is conditional upon, among other things, the satisfaction or waiver of the following:

- the approval of the Arrangement Resolution by a simple majority (50% plus one) of the votes cast at the Meeting by Endeavour Shareholders, present in person or by proxy;

- the approval of the Arrangement at the True Gold Meeting: (i) by 66 2/3% of the votes cast by True Gold Shareholders present in person or by proxy, voting as a single class; (ii) by 66 2/3% of the votes cast by True Gold Securityholders present in person or by proxy, voting together as a single class; and (iii) by a simple majority (50% plus one) of the True Gold Shareholders present in person or by proxy, excluding the votes attaching to the True Gold Shares required to be excluded from such vote in accordance with MI 61-101;

- following the True Gold Securityholder Approval, approval of the Arrangement by the Court; and

- each of the TSX and TSX-V providing such consents, waivers, modifications, exemptions, approvals and doing other such acts necessary to implement the Arrangement, including the conditional approval of the TSX to list the New Endeavour Shares issuable in connection with the Arrangement.

See the sections of this Circular entitled "*The Arrangement Agreement – Conditions to the Arrangement*", "*The Arrangement - Approvals*" and "*The Arrangement – Approvals – Regulatory Approvals*".

Am I entitled to dissent rights?

No. Endeavour Shareholders are not entitled to dissent rights in connection with the actions to be taken at the Meeting.

How will the Arrangement and the La Mancha Private Placement affect my ownership and voting rights as a shareholder of Endeavour?

The following table describes and summarizes the expected share capital of New Endeavour following completion of the Arrangement and the La Mancha Private Placement, on a non-diluted basis, based on the number of Endeavour Shares and True Gold Shares outstanding as at March 15, 2016 (unless otherwise stated):

Pro Forma Capital Structure (non-diluted basis)					
	Issued and Outstanding	**Pro Forma Issued Endeavour Shares**		**Pro Forma Ownership**	
Endeavour Shareholders	59,105,992		59,105,992		70.1%
True Gold Shareholders	398,874,228	17,550,466		20.8%	
True Gold DSUs and True Gold RSUs[1]	915,000	40,260		0.05%	
Sub-total			17,590,726		20.9%
La Mancha Private Placement			7,546,775		9.0% 30%[2]
Total Issued Endeavour Shares			**84,243,493**		**100.0%**

(1) True Gold DSUs and True Gold RSUs will be settled in True Gold Shares immediately before the Arrangement on a one-for-one basis.

(2) La Mancha currently owns 17,706,157 Endeavour Shares, such that following the La Mancha Private Placement, La Mancha will hold 30% ownership in Endeavour.

Following the Arrangement and the La Mancha Private Placement, Endeavour Shareholders will continue to hold their existing Endeavour Shares and/or Exchangeable Shares. Endeavour expects that an aggregate of up to approximately 17,590,726 New Endeavour Shares will be issued in respect of the True Gold Shares outstanding at the Effective Time and an additional 1,354,522 New Endeavour Shares will be reserved for issuance in respect of the Replacement Options issuable to former holders of True Gold Options outstanding as of March 15, 2016, representing, in the aggregate, 32.05% of the 59,105,992 Endeavour Shares outstanding as at March 15, 2016, on a non-diluted basis. Additionally, Endeavour expects that an aggregate of up to 7,546,775 Endeavour Shares will be issued to La Mancha in respect of the La Mancha Private Placement, based on the number of Endeavour Shares held by La Mancha as of March 15, 2016. While a total of 18,945,248 New Endeavour Shares will be issued or reserved for issuance under the Arrangement in respect of True Gold Shares and True Gold Options outstanding at the Effective Time, the split between the 17,590,726 New Endeavour Shares that will be issued to True Gold Shareholders and the 1,354,522 New Endeavour Shares that will be reserved for issuance in respect of the Replacement Options is a figure that will continue to change between the date of this Circular and the completion of the Arrangement as and if True Gold Optionholders exercise their True Gold Options for True Gold Shares.

Are there risks I should consider in connection with the Arrangement?

Yes. A number of risk factors that you should consider in connection with the Arrangement are described in the section of this Circular entitled "*Risk Factors*".

How do I vote?

Endeavour Shareholders consist of registered (or direct) shareholders, beneficial (or indirect) shareholders and registered (or direct) and beneficial (or indirect) holders of Exchangeable Shares. You are a registered shareholder if your name appears on a physical share certificate or direct registration statement (DRS) advice issued by Computershare. You are a beneficial shareholder if you hold Endeavour Shares or Exchangeable Shares through an intermediary, such as a bank, trust company, securities dealer, broker or other nominee or a clearing agency. Most of Endeavour's shareholders are beneficial shareholders.

If you owned Endeavour Shares or Exchangeable Shares (in each case, either directly or through an intermediary) as of the Record Date, being March 15, 2016, you are entitled to have your vote counted at the Meeting. The instructions provided below set forth the different procedures to be followed to ensure you are represented at the Meeting whether you are a registered or beneficial holder of Endeavour Shares or Exchangeable Shares. If your Endeavour Shares or Exchangeable Shares are held in more than one form, you should sign and submit all forms of proxy and VIF received in accordance with the instructions provided.

Registered Endeavour Shareholders

Registered Endeavour Shareholders have two methods by which they can vote their Endeavour Shares at the Meeting: in person or by proxy. To assure representation at the Meeting, registered Endeavour Shareholders are encouraged to complete and return the enclosed form of proxy.

Proxies must be completed in accordance with the instructions provided on the form of proxy and must be received by Computershare by 10:00 a.m. (EST) on April 19, 2016, or not less than 48 hours before the commencement of any adjournment or postponement of the Meeting. Registered shareholders must return the properly completed form of proxy to Computershare as follows: ***by mail or personal delivery*** to Computershare, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1; ***by fax*** to Computershare, to the attention of the Proxy Department at 1-866-249-7775 (toll free within Canada and the U.S.) or 416-263-9524 (international); ***by calling*** 1-866-732-8683 (toll free within Canada or the U.S.) from a touch tone telephone and referring to your control number provided on the form of proxy delivered to you; or ***over the internet*** by going to www.investorvote.com and following the online voting instructions given to you and referring to your control number provided on the form of proxy delivered to you.

If you are a registered Endeavour Shareholder and plan to attend the Meeting and wish to vote your Endeavour Shares in person, please register with the scrutineer upon arrival at the Meeting.

Beneficial Endeavour Shareholders

If your Endeavour Shares are not registered in your name, they will be held by an intermediary, such as a bank, trust company, securities broker or other financial institution, on your behalf as a beneficial shareholder.

Beneficial holders of Endeavour Shares, that are eligible to vote, include former CDI holders who held a beneficial interest in the Endeavour Shares underlying the former CDIs as of the Record Date.

Each intermediary will have its own procedures to permit voting of Endeavour Shares held on behalf of beneficial Endeavour Shareholders, including requirements as to when and where proxies or VIFs are to be delivered. Beneficial Endeavour Shareholders should carefully follow the instructions provided by their intermediaries to ensure that their Endeavour Shares are voted at the Meeting.

If you are a beneficial Endeavour Shareholder and wish to vote in person at the Meeting, change voting instructions given to your intermediary or revoke voting instructions given to your intermediary, follow the instructions given by your intermediary or contact your intermediary to discuss what procedure to follow.

Holders of Avion Exchangeable Shares

Pursuant to the Voting Agreement, registered holders of Exchangeable Shares have been granted contractual voting rights with respect to Endeavour, exercisable through Computershare. Such holders are entitled to instruct Computershare as to the voting of the underlying Endeavour Shares at the Meeting or attend the Meeting personally to vote the underlying Endeavour Shares.

If you are a registered holder of Exchangeable Shares, you can vote by using the form of proxy enclosed with the Meeting materials mailed to you and ensuring receipt by Computershare of such instructions via any of the means of delivery described above under the heading "*Registered Shareholders*" by 10:00 a.m. (EST) on April 19, 2016 or not less than 48 hours before the commencement of any adjournment or postponement of the Meeting. The form of proxy permits you to instruct Computershare to cause a number of votes to be cast at the Meeting equal to one-tenth of the number of Exchangeable Shares held by you at the Record Date in accordance with your instructions. You also can use your form of proxy to request a proxy to personally attend and vote at the Meeting or to designate a proxyholder to represent you at the Meeting. To do so, simply fill in your name or the name of the person that you wish to appoint to represent you in the space provided on the form of proxy.

If your Exchangeable Shares are not registered in your name, they will be held by an intermediary, such as a bank, trust company, securities broker or other financial institution, on your behalf as a beneficial holder. **Each intermediary will have its own procedures to permit voting of Exchangeable Shares held on behalf of beneficial holders of Exchangeable Shares, including requirements as to when and where proxies or VIFs are to be delivered. Beneficial holders of Exchangeable Shares should carefully follow the instructions provided by their intermediaries to ensure that their Exchangeable Shares are voted at the Meeting.**

What constitutes a quorum at the Meeting?

Under Endeavour's articles of association, the quorum for the transaction of business at the Meeting consists of two or more registered shareholders holding at least five per cent (5%) of the paid up voting share capital of Endeavour present in person or by proxy.

The Arrangement Resolution and the Share Capital Resolution are ordinary resolutions requiring the approval of a simple majority (50% plus one vote) of the votes cast.

The La Mancha Placement Resolution is an ordinary resolution of disinterested Endeavour Shareholders, which, in accordance with the TSX Manual, requires the approval of a simple majority (50% plus one vote) of the votes cast, with the votes attaching to the 17,706,157 Endeavour Shares beneficially owned or controlled by La Mancha as of the date of this Circular, excluded from the vote.

What happens if I sign the enclosed form of proxy?

Signing the enclosed form of proxy gives authority to Neil Woodyer or Morgan Carroll, who are designated as proxyholders by management of Endeavour, to vote your Endeavour Shares at the Meeting in accordance with your instructions. An Endeavour Shareholder desiring to appoint some other person or company (who need not be an Endeavour Shareholder) to represent him or her at the Meeting may do so, either by striking out the printed names of the persons designated on the enclosed form of proxy and inserting the desired person's name in the blank space provided in the form of proxy or by completing another proper form of proxy.

If I change my mind, can I take back my proxy once I have given it?

Registered shareholders who have given a proxy may revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by the proxy. Registered shareholders may revoke a proxy by depositing a written instrument giving notice of revocation: (a) at the office of Computershare set out above or at the registered office of Endeavour on or before the last Business Day preceding the day of the Meeting at which the proxy is to be used; or (b) to the Chairman of the Meeting on the day of the Meeting (prior to the commencement of the Meeting). The written notice of revocation may be executed by the registered shareholder or by an officer or attorney upon presentation of written authorization of the shareholder.

In addition, a proxy may be revoked by: (a) the registered shareholder executing another form of proxy bearing a later date and depositing the same at the offices of Computershare prior to the deadline for depositing proxies set out above; or (b) by the registered shareholder personally attending the Meeting, identifying himself or herself to the scrutineer as a registered shareholder as of the Record Date present in person, and voting his or her Endeavour Shares. A proxy may also be revoked by any other method permitted by applicable law.

How will my Endeavour Shares be voted if I give my proxy?

The Endeavour Shares represented by a properly executed and deposited proxy will be voted on any poll that may be called for or required by law and, if the Endeavour Shareholder specifies a choice with respect to any matter to be acted upon, the Endeavour Shares will be voted accordingly. **If a choice with respect to such matters is not clearly specified, your proxyholder can vote your Endeavour Shares as he or she thinks fit. If an Endeavour Shareholder appoints the persons designated by management in the form of proxy as his or her as proxyholder, such proxyholders will, unless you give contrary instructions, vote the Endeavour Shares represented by the proxy FOR the Arrangement Resolution, the La Mancha Placement Resolution and the Share Capital Resolution.**

What if amendments are made to these matters or other business is brought before the Meeting?

The accompanying form of proxy confers discretionary authority on the persons named in it as proxies with respect to amendments to or variations in matters described in the accompanying Notice of Meeting and other matters that may properly come before the Meeting, or any adjournment or postponement thereof. As at the date of this Circular, management of Endeavour is not aware of any such amendments, variations or other matters. If such should occur, the proxyholder will vote thereon in accordance with their best judgment, exercising discretionary authority.

How many Endeavour Shares are entitled to vote?

As at March 15, 2016, there were 59,105,992 Endeavour Shares outstanding (including 863,754 Endeavour Shares which are represented by beneficial interests that were formerly listed CDIs on the ASX and 410,941 Exchangeable Shares).

Each Endeavour Share carries the right to one vote with respect to the Arrangement Resolution and the Share Capital Resolution. Each Exchangeable Share carries the right to one-tenth of one vote with respect to the Arrangement Resolution and the Share Capital Resolution.

The La Mancha Placement Resolution requires Disinterested Shareholder Approval. As a result, each Endeavour Share carries the right to one vote with respect to the La Mancha Placement Resolution, other than the 17,706,157 Endeavour Shares beneficially owned or controlled by La Mancha as of the date of this Circular, which will be excluded from such vote. Each Exchangeable Share carries the right to one-tenth of one vote with respect to the La Mancha Placement Resolution.

Who is Endeavour's proxy solicitation agent?

If you have any questions or require assistance in voting your proxy, please contact our proxy solicitation agent, D.F. King, at 1-800-926-7043 toll free in North America, or call collect outside North America at 1-201-806-7301 or by email at inquiries@dfking.com.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Both the Endeavour Board and management of Endeavour encourage you to vote. We are soliciting proxies for the Meeting to be held on April 21, 2016 or any adjournment or postponement thereof at the time and place and for the purposes set forth in the accompanying Notice of Meeting. Proxies may also be solicited personally or by telephone, facsimile, mail or electronically by the directors and regular employees of the Corporation at a nominal cost to the Corporation.

D.F. King is acting as the Corporation's proxy solicitation agent. If you have any questions or require assistance in voting your proxy, please contact our proxy solicitation agent, D.F. King, at 1-800-926-7043 toll free in North America, or call collect outside North America at 1-201-806-7301 or by email at inquiries@dfking.com. The Corporation will be paying D.F. King a fee of approximately C$50,000, plus out-of-pocket expenses.

Voting Procedures

Endeavour Shareholders consist of registered (or direct) shareholders, beneficial (or indirect) shareholders and registered (or direct) and beneficial (or indirect) holders of Exchangeable Shares, which are exchangeable for Endeavour Shares in accordance with their terms. You are a registered shareholder if your name appears on a physical share certificate or direct registration statement (DRS) advice issued by Computershare. You are a beneficial shareholder if you hold Endeavour Shares or Exchangeable Shares through an intermediary, such as a bank, trust company, securities dealer, broker or other nominee or a clearing agency. Former CDI holders who hold a beneficial interest in the Endeavour Shares underlying the former CDIs as of the Record Date are beneficial shareholders. Most of Endeavour's shareholders are beneficial shareholders.

If you owned Endeavour Shares or Exchangeable Shares (in each case, either directly or through an intermediary) as of the Record Date, being March 15, 2016, you are entitled to have your vote counted at the Meeting. The instructions provided below set forth the different procedures to be followed to ensure you are represented at the Meeting whether you are a registered or beneficial holder of Endeavour Shares or Exchangeable Shares. If your Endeavour Shares or Exchangeable Shares are held in more than one form, you should sign and submit all forms of proxy and VIF received in accordance with the instructions provided.

Registered Shareholders

Registered shareholders have two methods by which they can vote their Endeavour Shares at the Meeting: in person or by proxy. To ensure representation at the Meeting, registered shareholders are encouraged to complete and return the form of proxy enclosed with the Meeting materials mailed to them whether or not they intend to attend the Meeting. Sending in a form of proxy will not prevent a registered shareholder from voting in person at the Meeting; if the registered shareholder attends the Meeting in person, the registered shareholder's vote will be taken and counted at the Meeting.

A shareholder appointing a proxyholder may indicate the manner in which the appointed proxyholder is to vote regarding any specific item by checking the space opposite the item on the proxy. The Endeavour Shares represented by a proxy submitted by a shareholder will be voted or withheld from voting in accordance with the directions, if any, given in the proxy. If the shareholder giving the proxy wishes to confer a discretionary authority regarding any item of business, then the space opposite the item should be left blank; your proxyholder will thereby be entitled to vote your Endeavour Shares as he or she thinks fit.

A shareholder can appoint another person, who need not be an Endeavour Shareholder, to represent such shareholder at the Meeting by inserting such person's name in the blank space provided in the form of proxy and striking out the names of the persons designated by management in the form of proxy, or by completing another proper form of proxy. If you appoint the persons designated by management in the form of proxy as your proxyholder, such proxyholder will, unless you give contrary instructions, vote the Endeavour Shares represented by the proxy for or in favour of all matters described herein.

Proxies must be completed in accordance with the instructions provided on the form of proxy and must be received by Computershare by 10:00 a.m. (EST) on April 19, 2016, or not less than 48 hours before the commencement of any adjournment or postponement of the Meeting. Registered shareholders must return the properly completed form of proxy to Computershare as follows:

1. ***By mail or personal delivery*** to Computershare, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1;
2. ***By fax*** to Computershare, to the attention of the Proxy Department at 1-866-249-7775 (toll free within Canada and the U.S.) or 416-263-9524 (international);
3. ***By telephone*** by calling 1-866-732-8683 (toll free within Canada or the U.S.) from a touch tone telephone and referring to your control number provided on the form of proxy delivered to you; or
4. ***Over the internet*** by going to www.investorvote.com and following the online voting instructions given to you and referring to your control number provided on the form of proxy delivered to you.

The Chairman of the Meeting will have the discretion to accept or reject proxies deposited in any other manner.

If you are a registered shareholder and plan to attend the Meeting at Bureau 76, 7 Boulevard des Moulins, 98000 Monaco on April 21, 2016 at 4:00 p.m. (CET), and wish to vote your Endeavour Shares in person, please register with the scrutineer upon arrival at the Meeting.

Revocation of a Proxy

Registered shareholders who have delivered a completed proxy may revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by the proxy. Registered shareholders may revoke a proxy by depositing a written instrument giving notice of revocation: (a) at the office of Computershare set out above or at the registered office of Endeavour on or before the last business day preceding the day of the Meeting at which the proxy is to be used; or (b) with the Chairman of the Meeting on the day of the Meeting (prior to the commencement of the Meeting). The written notice of revocation may be executed by the registered shareholder or by an officer or attorney upon presentation of written authorization of the shareholder.

In addition, a proxy may be revoked by: (a) the registered shareholder executing another form of proxy bearing a later date and depositing the same at the offices of Computershare prior to the deadline for depositing proxies set out above; or (b) by the registered shareholder personally attending the Meeting, identifying himself or herself to the scrutineer as a registered shareholder as of the Record Date present in person, and voting his or her Endeavour Shares in person. A proxy may also be revoked by any other method permitted by applicable law.

Beneficial Shareholders

The information set out in this section is important to many of Endeavour's shareholders as a substantial number of shareholders do not hold their Endeavour Shares in their own names. As stated above, former CDI holders who held a beneficial interest in the Endeavour Shares underlying the former CDIs as of the Record Date are beneficial shareholders.

If your Endeavour Shares are not registered in your name, they will be held by an intermediary, such as a bank, trust company, securities broker or other financial institution, on your behalf as a beneficial shareholder. There are two kinds of beneficial shareholders:

1. OBOs: those who object to their name being made known to the issuers of securities which they own; and
2. NOBOs: those who do not so object.

Endeavour has distributed materials for the Meeting to intermediaries for distribution to beneficial shareholders (both NOBOs and OBOs). Typically, intermediaries will use a service company, such as Broadridge, to forward meeting materials to beneficial shareholders. Beneficial shareholders who have not waived the right to receive Meeting materials will also receive either a VIF or, less frequently, a form of proxy. The purpose of these forms is to permit beneficial shareholders to direct the voting of the Endeavour Shares they beneficially own.

Endeavour may utilize the Broadridge QuickVote™ service to assist NOBOs with voting their Exchangeable Shares. NOBOs may be contacted by D.F. King to conveniently obtain a vote directly over the telephone.

Each intermediary will have its own procedures to permit voting of Endeavour Shares held on behalf of beneficial shareholders, including requirements as to when and where proxies or VIFs are to be

delivered. Beneficial shareholders should carefully follow the instructions provided by their intermediaries to ensure that their Endeavour Shares are voted at the Meeting.

If you are a beneficial Endeavour Shareholder and wish to:

- vote in person at the Meeting; or
- change voting instructions given to your intermediary; or
- revoke voting instructions given to your intermediary,

follow the instructions given by your intermediary or contact your intermediary to discuss what procedure to follow.

In addition, management of Endeavour has elected to pay to distribute its meeting materials to the OBOs.

Holders of Avion Exchangeable Shares

On October 18, 2012, Endeavour completed its acquisition of Avion, resulting in Endeavour acquiring all of the outstanding voting shares of Avion. Pursuant to the terms of the acquisition, in lieu of receiving Endeavour Shares for their Avion shares, eligible Avion shareholders were entitled to elect to receive Exchangeable Shares. Pursuant to the recent 10:1 consolidation of Endeavour Shares, each Exchangeable Share is exchangeable or redeemable for one-tenth of an Endeavour Share in accordance with its terms and each Exchangeable Share carries, to the extent practicable, economic and voting rights equivalent to those of one-tenth of an Endeavour Share. As of the Record Date, 410,941 Exchangeable Shares were outstanding, which are exchangeable or redeemable for 41,094 Endeavour Shares. The underlying Endeavour Shares for which outstanding Exchangeable Shares may be exchanged have been issued by Endeavour and are held by a wholly-owned subsidiary of Endeavour.

Pursuant to the Voting Agreement, registered holders of Exchangeable Shares have been granted contractual voting rights with respect to Endeavour, exercisable through Computershare. Such holders are entitled to instruct Computershare as to the voting of the underlying Endeavour Shares at the Meeting or attend the Meeting personally to vote the underlying Endeavour Shares.

If you are a registered holder of Exchangeable Shares, you can vote by using the form of proxy enclosed with the Meeting materials mailed to you and ensuring receipt by Computershare of such instructions via any of the means of delivery described above under the heading "*Registered Shareholders*" by 10:00 a.m. (EST) on April 19, 2016, or not less than 48 hours before the commencement of any adjournment or postponement of the Meeting. The form of proxy permits you to instruct Computershare to cause a number of votes to be cast at the Meeting equal to one-tenth of the number of Exchangeable Shares held by you at the Record Date in accordance with your instructions. You also can use your form of proxy to request a proxy to personally attend and vote at the Meeting or to designate a proxyholder to represent you at the Meeting. To do so, simply fill in your name or the name of the person that you wish to appoint to represent you in the space provided on the form of proxy.

If instructions are not received from a holder of Exchangeable Shares, the voting rights associated with the underlying Endeavour Shares to which such holder is entitled will not be exercised at the Meeting. Voting instructions may be revoked by a registered Exchangeable Shareholder by any method described above under the heading "*Registered Shareholders – Revocation of a Proxy*".

If you are a beneficial holder of Exchangeable Shares and have received the Meeting materials from your intermediary, carefully follow the instructions provided by your intermediary to ensure your votes are recorded at the Meeting. **Each intermediary will have its own procedures to permit voting of Exchangeable Shares held on behalf of beneficial holders of Exchangeable Shares, including requirements as to when and where proxies or VIFs are to be delivered. Beneficial holders of Exchangeable Shares should carefully follow the instructions provided by their intermediaries to ensure that their Exchangeable Shares are voted at the Meeting.**

Endeavour may utilize the Broadridge QuickVote™ service to assist NOBOs with voting their Exchangeable Shares. NOBOs may be contacted by D.F. King to conveniently obtain a vote directly over the telephone.

In addition, management of Endeavour has elected to pay to distribute its meeting materials to the OBOs of Exchangeable Shares.

Additional information about the contractual voting rights provided to holders of Exchangeable Shares is set out in the Voting Agreement, a copy of which is available under Endeavour's SEDAR profile at www.sedar.com.

Quorum and Votes Necessary to Pass Resolutions

Under Endeavour's articles of association, the quorum for the transaction of business at the Meeting consists of two or more registered shareholders holding at least five per cent (5%) of the paid up voting share capital of Endeavour present in person or by proxy.

The Arrangement Resolution and the Share Capital Resolution are ordinary resolutions requiring the approval of a simple majority (50% plus one vote) of the votes cast.

The La Mancha Placement Resolution is an ordinary resolution of disinterested Endeavour Shareholders, which, in accordance with the TSX Manual, requires the approval of a simple majority (50% plus one vote) of the votes cast, with the votes attaching to the 17,706,157 Endeavour Shares beneficially owned or controlled by La Mancha as of the date of this Circular, being excluded from the vote.

Voting Shares and Principal Holders Thereof

The authorized share capital of Endeavour is US$20,000,000 divided into 100,000,000 Endeavour Shares with a par value of US$0.10 each, and 100,000,000 undesignated shares with a par value of US$0.10 each, none of which undesignated shares have been issued.

March 15, 2016 has been fixed in advance by the Endeavour Board as the Record Date for the purposes of determining those Endeavour Shareholders entitled to receive notice of, and to vote in person or by proxy at the Meeting or any adjournment or postponement thereof. As at the close of business on the Record Date, Endeavour had 59,105,992 Endeavour Shares issued and outstanding, each Endeavour Share carrying the right to one vote.

At the Meeting on a show of hands, every individual who is present as a registered shareholder or as a representative of one or more registered corporate shareholders, or who is holding a proxy on behalf of an Endeavour Shareholder who is not present at the Meeting, will have one vote, and on a poll every Endeavour Shareholder present in person or represented by proxy and every person who is a representative of one or more corporate Endeavour Shareholders, will have one vote for each Endeavour Share of which such person, or the person represented, is the holder. The register of registered shareholders is available for inspection

during normal business hours at the office of Computershare and will be available for inspection at the Meeting. At the Meeting, a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by one or more shareholders present in person or by proxy entitled to vote. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting shall be entitled to a second or casting vote.

To the knowledge of the directors and senior officers of Endeavour, no person beneficially owns, directly or indirectly, or exercises control or direction over, Endeavour Shares carrying 10% or more of the voting rights attached to all the issued and outstanding Endeavour Shares as at the date of this Circular, other than La Mancha, which as of the date of this Circular beneficially owns, directly or indirectly, or exercises control or direction over, 17,706,157 Endeavour Shares, representing approximately 30% of the voting rights attached to all the issued and outstanding Endeavour Shares as of the Record Date.

BUSINESS OF THE MEETING

As set out in the Notice of the Meeting, at the Meeting, Endeavour Shareholders will be asked to consider and vote on the:

(1) Arrangement Resolution (which is an ordinary resolution) in connection with the Arrangement, as further described under the heading "*The Arrangement*" in this Circular;

(2) La Mancha Placement Resolution (which is an ordinary resolution of disinterested Endeavour Shareholders) in connection with the La Mancha Private Placement, as further described under the heading "*La Mancha Private Placement*" in this Circular; and

(3) Share Capital Resolution (which is an ordinary resolution) to increase the authorized share capital of Endeavour as further described under the heading "*Share Capital Increase*" in this Circular.

The Arrangement

The Arrangement involves the acquisition by Endeavour of True Gold, subject to satisfaction or waiver of certain conditions. The Arrangement will be implemented by way of a court-approved plan of arrangement under the BCBCA.

In connection with the Arrangement, immediately before the Effective Time:

(1) each outstanding True Gold DSU will, in accordance with the terms of the True Gold DSU Plan, be settled through the issuance of True Gold Shares such that the former holders of such True Gold DSUs will participate in the Arrangement on the same terms as the holders of True Gold Shares; and

(2) each outstanding True Gold RSU will, in accordance with the terms of the True Gold RSU Plan, be settled through the issuance of True Gold Shares such that the former holders of such True Gold RSUs will participate in the Arrangement on the same terms as the holders of True Gold Share.

Under the terms of the Arrangement, all True Gold Shares will be transferred and assigned to Endeavour SubCo and the former holders of such True Gold Shares will receive 0.044 of an Endeavour Share for each True Gold Share held immediately before the Effective Time. The stated capital of the True Gold Shares will then be reduced to an aggregate of C$1.00 without any repayment of capital in respect thereof and True Gold and Endeavour SubCo will proceed to merge as if they had been amalgamated under Section 269 of the BCBCA. The name of the amalgamated company will be "True Gold Mining Inc.".

Under the Arrangement, the True Gold Options will also be exchanged on the basis of the Exchange Ratio. Each True Gold Option that has not been exercised prior to the Effective Date will be exchanged for a Replacement Option of Endeavour entitling the former holder of such True Gold Option to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at a modified exercise price applying the Exchange Ratio of 0.044 to the original exercise price of such True Gold Option. Each Replacement Option will be exercisable for a period of: (i) 180 days following the Effective Date; or (ii) 12 months following the Effective Date for certain True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreements with True Gold.

As a result of the foregoing, upon completion of the Arrangement, Endeavour will indirectly own all of the issued and outstanding shares of True Gold and True Gold will be an indirect wholly-owned subsidiary of Endeavour. Endeavour Shareholders will continue to hold their existing Endeavour Shares.

Endeavour expects to issue up to approximately 17,590,726 New Endeavour Shares upon completion of the Arrangement in respect of the 398,874,228 True Gold Shares outstanding as at March 15, 2016 and the 270,000 True Gold DSUs and 645,000 True Gold RSUs outstanding as of March 15, 2016, which will be settled in True Gold Shares immediately before the Effective Time. This represents approximately 29.76% of the 59,105,992 Endeavour Shares outstanding as at March 15, 2016. Immediately following implementation of the Arrangement, and provided that the La Mancha Private Placement is completed, former holders of True Gold Shares are expected to hold approximately 20.9% of the issued and outstanding Endeavour Shares, on a non-diluted basis. Additionally, Endeavour expects that an additional 1,354,522 Endeavour Shares will be reserved for issuance in respect of the Replacement Options to be issued under the Arrangement to former holders of True Gold Options. As a result, a total of 18,945,248 New Endeavour Shares will be issued or made issuable under the Arrangement to former True Gold Securityholders. While a total of 18,945,248 New Endeavour Shares will be issued or reserved for issuance under the Arrangement in respect of True Gold Shares and True Gold Options outstanding at the Effective Time, the split between the 17,590,726 New Endeavour Shares that will be issued to True Gold Shareholders and the 1,354,522 New Endeavour Shares that will be reserved for issuance in respect of the Replacement Options is a figure that will continue to change between the date of this Circular and the completion of the Arrangement as and if True Gold Optionholders exercise their True Gold Options for True Gold Shares.

Pursuant to Section 611(c) of the TSX Manual, a listed company is required to obtain shareholder approval in connection with an acquisition where the number of securities issued or issuable in payment of the purchase price for the acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the acquisition. As the Arrangement will result in Endeavour issuing in excess of 25% of the outstanding Endeavour Shares, Endeavour Shareholder approval is required. It is a condition of the Arrangement that the Arrangement Resolution be approved by a simple majority (50% plus one) of votes cast at the Meeting by Endeavour Shareholders, present in person or by proxy. Endeavour is seeking the approval of Endeavour Shareholders to issue up to 18,945,248 New Endeavour Shares in connection with the Arrangement, representing approximately 32.09% of the 59,040,392 Endeavour Shares outstanding as at March 3, 2016, the date of the Arrangement Agreement.

La Mancha Private Placement

Pursuant to the Investor Rights Agreement, among other things, if Endeavour proposes or becomes obligated to issue Endeavour Shares or other voting or equity shares of Endeavour (collectively, "**Voting Shares**"), or any securities convertible into Voting Shares or entitling the holder thereof to acquire Voting Shares (collectively, "**Convertible Securities**"), then La Mancha will have the right but not the obligation to subscribe for such number of additional Voting Shares or Convertible Securities as is sufficient 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). The La Mancha Anti-Dilution Right 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 Voting Shares.

In connection with and subject to completion of the Arrangement, Endeavour and La Mancha have entered into the La Mancha Subscription Agreement to give effect to the La Mancha Private Placement. In entering into the La Mancha Subscription Agreement, La Mancha has committed in advance to purchase 7,546,775 Endeavour Shares, conditional upon, among other things, completion of the Arrangement, in order to maintain its approximately 30% ownership interest in Endeavour. Pursuant to the La Mancha Private Placement, La Mancha will purchase 7,546,775 Endeavour Shares at a price of C$10.94 per share, which represents a 10.56% discount to Endeavour's 5-day VWAP on the TSX as of March 3, 2016, the date of the La Mancha Subscription Agreement. The gross proceeds to Endeavour of the La Mancha Private Placement will be approximately C$82.6 million. The 7,546,775 Endeavour Shares to be issued under the La Mancha Private Placement represent 12.78% of the issued and outstanding Endeavour Shares as of March 3, 2016, the date of the La Mancha Subscription Agreement.

Pursuant to Section 607(g)(ii) of the TSX Manual, a listed company is required to obtain disinterested shareholder approval for a private placement that results, in any six month period, in the issuance of securities of the listed issuer to an insider of the listed issuer in excess of 10% of the number of securities of the listed issuer that are outstanding, on a non-diluted basis, before closing of the private placement. Accordingly, Endeavour is seeking the disinterested approval of Endeavour Shareholders, with the votes attaching to the Endeavour Shares held by La Mancha excluded from such vote, for the issuance of 1,642,736 Endeavour Shares to La Mancha in connection with the La Mancha Private Placement, being that number of Endeavour Shares under the La Mancha Private Placement in excess of 10% of the number of Endeavour Shares outstanding as of the date of the La Mancha Subscription Agreement.

Approval by Endeavour Shareholders of the La Mancha Placement Resolution is not a condition to the completion of the Arrangement with True Gold.

If the La Mancha Placement Resolution does not pass, Endeavour will issue, and La Mancha will purchase, 5,904,039 Endeavour Shares at C$10.94 per share for gross proceeds to Endeavour of approximately C$64.6 million, and La Mancha will continue to have the right under the Investor Rights Agreement to purchase additional Endeavour Shares, when permitted under the TSX Manual, to regain its 30% interest in Endeavour. A copy of the Investor Rights Agreement is available for review under Endeavour's SEDAR profile at www.sedar.com.

Share Capital Increase

The Endeavour Board believes that it is in the best interests of Endeavour to increase the authorized share capital of the Endeavour Shares from 100,000,000 Endeavour Shares of a nominal or par value of $0.10 each to 200,000,000 Endeavour Shares of a nominal or par value of $0.10 each.

Pursuant to the Companies Law, an ordinary resolution of shareholders is required in order to increase the authorized share capital of a Cayman company limited by shares. Accordingly, Endeavour is seeking the approval of Endeavour Shareholders to, if and when the Endeavour Board resolves to do so, increase the authorized share capital of Endeavour from US$20,000,000 divided into 100,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, to US$30,000,000 divided into 200,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10.

Record Date

The Record Date for the determination of the registered Endeavour Shareholders that will be entitled to notice of the Meeting, and any adjournment or postponement of the Meeting, and that will be entitled to vote at the Meeting has been fixed at the close of business (Vancouver time) on March 15, 2016.

Outstanding Shares

As at March 15, 2016, there were 59,105,992 Endeavour Shares outstanding.

THE ARRANGEMENT

General

Under the Arrangement, Endeavour, indirectly through Endeavour SubCo, will acquire all of the issued and outstanding True Gold Shares via a court-approved plan of arrangement. Each True Gold Shareholder will be entitled to receive 0.044 of an Endeavour Share in exchange for each True Gold Share held.

Under the Arrangement, the True Gold Options will also be exchanged on the basis of the Exchange Ratio. Each True Gold Option that has not been exercised prior to the Effective Date will be exchanged for a Replacement Option entitling the former holder of such True Gold Option to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at a modified exercise price applying the Exchange Ratio of 0.044 to the original exercise price of such True Gold Option. Each Replacement Option will be exercisable for a period of: (i) 180 days following the Effective Date; or (ii) 12 months following the Effective Date for certain True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreements with True Gold.

Immediately before the Effective Time of the Arrangement, all outstanding True Gold DSUs and True Gold RSUs will be settled through the issuance of True Gold Shares, in accordance with the True Gold DSU Plan and the True Gold RSU Plan, respectively. As a result, holders of True Gold DSUs and True Gold RSUs will participate in the Arrangement on the same terms as the holders of True Gold Shares.

Immediately upon completion of the Arrangement, each True Gold SAR outstanding immediately before the Effective Time will, in accordance with the terms of the True Gold SAR Agreements, entitle the holder thereof to receive on exercise a cash amount equal to the closing price of an Endeavour Share on the TSX on the last trading day immediately before such exercise multiplied by 0.044, less C$0.19, and each such True Gold SAR will be exercisable until February 27, 2017.

As a result of the foregoing, upon completion of the Arrangement, Endeavour will indirectly own all of the issued and outstanding shares of True Gold and True Gold will be an indirect wholly-owned subsidiary of Endeavour. Endeavour Shareholders will continue to hold their existing Endeavour Shares.

Based on the closing price of the Endeavour Shares on the TSX on March 3, 2016 (the day that the Arrangement was publicly announced) of C$12.87 the implied transaction value of C$0.57 per True Gold Share yields a premium to True Gold Shareholders of 43.4%.

Using the 20-day VWAP on the TSX and TSX-V for the period ending March 3, 2016 for Endeavour and True Gold, respectively, the Exchange Ratio yields a premium of 32.7% to True Gold Shareholders.

The Arrangement

The Arrangement is to be effected by means of a plan of arrangement under Section 288 of the BCBCA, the provisions of which are set out in full in Schedule A to this Circular. Pursuant to the Arrangement, the following will occur:

(a) each True Gold Share held by a Dissenting Shareholder will be transferred to True Gold for cancellation;

(b) five minutes after the steps contemplated in (a), each True Gold Share (other than any True Gold Shares held by any Dissenting Shareholder) will be deemed to be transferred to Endeavour SubCo in exchange for 0.044 of an Endeavour Share;

(c) five minutes after the steps contemplated in (b), each True Gold Option, which is outstanding prior to the Effective Date, will be exchanged such that the former holder of such True Gold Option will receive a Replacement Option entitling such holder to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at an exercise price per 0.044 of an Endeavour Share equal to the exercise price per True Gold Share under such True Gold Option, with each such Replacement Option exercisable for a period of (i) 180 days following the Effective Date or (ii) 12 months following the Effective Date for certain True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreement;

(d) five minutes after the steps contemplated in (c), the stated capital in respect of the True Gold Shares will be reduced to an aggregate of $1.00 without any repayment of capital in respect thereof;

(e) five minutes after the steps contemplated in (d), True Gold and Endeavour SubCo shall merge to form one corporate entity ("**Amalco**") with the same effect as if they had amalgamated under Section 269 of the BCBCA;

(f) from and after the Effective Date:

  (i) Amalco will own and hold the property of True Gold and Endeavour SubCo and all liabilities and obligations of True Gold and Endeavour SubCo, whether arising by contract or otherwise, will be enforced against Amalco;

  (ii) Amalco will continue to be liable for all of the liabilities and obligations of True Gold and Endeavour SubCo;

  (iii) all rights, contracts, permits and interests of True Gold and Endeavour SubCo will continue as rights, contracts, permits and interests of Amalco as if True Gold and Endeavour SubCo continued and, for greater certainty, the amalgamation will not constitute a transfer or assignment of the rights or obligations of either of True Gold or Endeavour SubCo under any such rights, contracts, permits and interests;

  (iv) any existing cause of action, claim or liability to prosecution will be unaffected;

(v) a civil, criminal or administrative action or proceeding pending by or against either True Gold or Endeavour SubCo may be continued by or against Amalco;

(vi) a conviction against, or ruling, order or judgment in favour of or against either True Gold or Endeavour SubCo may be enforced by or against Amalco;

(vii) Endeavour Gold as the holder of the Endeavour SubCo shares shall receive on the amalgamation one common share in the authorised share structure of Amalco in exchange for each Endeavour SubCo share previously held and all of the issued and outstanding True Gold Shares will be cancelled without repayment of capital in respect thereof;

(viii) the name of Amalco will be "True Gold Mining Inc.";

(ix) the articles and notice of articles of Amalco shall be substantially in the form of the articles and notice of articles of Endeavour SubCo;

(x) the stated capital of the common shares of Amalco will be an amount equal to the paid-up capital, as that term is defined in the Tax Act, attributable to the Endeavour SubCo shares immediately prior to the amalgamation; and

(xi) the share capital of Endeavour SubCo immediately prior to the amalgamation shall be preserved as the share capital of Amalco after the amalgamation.

As noted below, the Arrangement is subject to, among other things, obtaining the True Gold Securityholder Approval and Endeavour Shareholder Approval. The two securityholder meetings will be held on April 21, 2016 and the Arrangement is expected to close on or about April 26, 2016

Background to the Arrangement

The Arrangement Agreement is the result of arm's length negotiations conducted between representatives of Endeavour and True Gold. The following is a summary of the background to the Arrangement.

As part of its strategic planning process, Endeavour's management reviews the activities and assets of other gold mining, development and exploration companies to identify and investigate prospective transactions that could complement Endeavour's existing operations and support its strategic growth plans.

During early September 2015, Endeavour was engaged in formal negotiations with La Mancha regarding the creation of a strategic partnership which was subsequently announced on September 21, 2015. Endeavour management viewed True Gold as a potentially attractive opportunity to assess following completion of the new partnership with La Mancha. In anticipation of a potential follow-on transaction, the CEO of Endeavour approached the CEO of True Gold and the conversation resulted in the negotiation and execution of the Confidentiality Agreement on September 9, 2015.

After closing of the La Mancha transaction on November 27, 2015, Endeavour management conducted a desk-top review of True Gold that confirmed the opportunity remained attractive. In mid-December 2015, Endeavour and True Gold resumed their contact with an initial focus on arranging site visits.

Between January 16 and 19, 2016 three senior executives of Endeavour undertook a site visit to the Karma Project, to carry out initial due diligence so that baseline assumptions about the project could be evaluated.

During the visit, the Endeavour executives had access to True Gold's senior management and construction representatives.

Following analysis of the Karma Project site visit and identification of the key due diligence variables, Endeavour engaged the services of Lycopodium Minerals Pty Ltd., Knight Piesold and Kappes Cassiday & Associates Australia as independent consultants, with a scope that included evaluating the metallurgical performance aspects of the heap leach, the process plant design criteria, water balance, and other key aspects of the Karma Project. Endeavour also engaged SRK Consulting to review the resource models for three main ore sources (i.e. Kao and North Kao and GG2 deposits). During its due diligence of the Karma Project, Endeavour also used independent consultants to appraise the corporate social responsibility program of True Gold and the associated in-country risks.

On January 28, 2016, Endeavour's CEO provided a presentation to the True Gold Executive Chairman and CEO in Vancouver, which contained indicative terms outlining an all-share, premium acquisition by Endeavour. On the following day, the parties reconvened and, while no agreement had been reached regarding pricing, Endeavour considered that sufficient progress had been made to allow the discussions to continue.

On Sunday, February 7, 2016, a meeting took place in Cape Town between the CEO and the President of Endeavour and True Gold's Executive Chairman and CEO, where terms were discussed using the closing price for True Gold shares on Friday, February 5, 2016 as a reference. On the following day, Endeavour provided True Gold with a draft exclusivity letter and non-binding indicative term sheet (the "**Exclusivity Letter**").

Over the subsequent days the terms of the Exclusivity Letter were negotiated by the parties and their advisors. The Endeavour Board was provided with presentation materials concerning the structure and parameters of the proposed acquisition, which included an analysis by UBS Investment Bank of acquisition premiums paid in comparable transactions. The Endeavour Board determined that management should continue the discussions based on the progress made and the terms contained in the Exclusivity Letter, which had been outlined to the Endeavour Board.

The CEO of Endeavour travelled to London to meet with Naguib Sawiris of La Mancha on February 12, 2016, to provide a presentation giving an overview of the potential transaction and to discuss the strategic rationale and the La Mancha Anti-Dilution Right.

The final Exclusivity Letter was then signed on February 12, 2016; it contained the outline terms for the Arrangement Agreement and the Convertible Loan, with an exclusivity period until March 7, 2016.

To verify its understanding of the Endeavour assets, between February 13 and February 20, 2016 senior True Gold management and its independent consultants visited the key mines and projects of Endeavour.

Between February 22 and 24, 2016, senior executives of both parties and their lawyers met to discuss terms of the transaction in Vancouver. The Arrangement Agreement and the Convertible Loan were negotiated, though not finalised. During the week commencing February 29, 2016 those documents and others, such as the Endeavour Support Agreements, were finalised prior to signing.

On March 2, 2016, Endeavour's CEO travelled to Cairo to meet with representatives of La Mancha to discuss progress with the potential transaction, its strategic rationale, the La Mancha Anti-Dilution Right, the possibility of La Mancha providing a support agreement, and the terms of the La Mancha Private Placement.

The Endeavour Board met on March 3, 2016 to consider the transaction merits and parameters including the acquisition exchange ratio and the proposed pricing of the La Mancha Private Placement. Prior to the meeting, final presentation materials concerning the proposed acquisition had been circulated to the individual members of the Endeavour Board. The Endeavour Board also had reference to the Arrangement Agreement, the Convertible Loan, the La Mancha Subscription Agreement, the True Gold support agreements and other related documentation. Having discussed the matters at hand, and having regard to the best interests of Endeavour and the Endeavour Shareholders, the Endeavour Board decided to unanimously support the entry into the Arrangement Agreement and the support agreements with True Gold, the making of the Convertible Loan, and the La Mancha Private Placement. The exchange ratio was agreed to by the parties after market close on March 3, 2016, with the support of the Endeavour Board.

The Arrangement Agreement and the Convertible Loan Agreement were finalized between the parties on March 3, 2016, and then executed on March 4, 2016. The Arrangement Agreement and the Convertible Loan Agreement were publicly announced in separate press releases by Endeavour and True Gold before markets opened on March 4, 2016. Endeavour held a conference call and webcast on March 4, 2016 at 9:00 a.m. (Toronto time) to discuss, among other things, the Arrangement.

The Endeavour Support Agreements were executed on March 3, 2016 and delivered on March 4, 2016.

Reasons for the Arrangement

In reaching its decision to approve the Arrangement and its recommendation that Endeavour Shareholders vote in favour of the Arrangement Resolution, the Endeavour Board considered the positive results of the due diligence review conducted by management and Endeavour's financial, technical and legal advisors, as well as the following background and attributes:

- *Low-cost gold production growth*. True Gold has a 90% interest in the Karma Project in Burkina Faso, which is nearing production start-up with first gold pour anticipated in late March to early April 2016. Through the acquisition of True Gold, Endeavour would acquire a new mine with a forecast gold production rate of approximately 110,000 - 120,000 ounces per year at a low AISC of approximately US$700/oz in years 1 to 5, and with a mine life of 8.5 years based on current reserves.
- *'Buy and Build' strategy*. The True Gold acquisition is consistent with Endeavour's successful 'buy-and-build' strategy and firmly positions Endeavour as one of West Africa's premier gold miners. The Karma Project provides a meaningful upgrade to the recently divested Youga Mine and emphasizes management's dedication to proactive asset management and cash flow maximization.
- *Complementary fit with Endeavour's operations and expected efficiencies*. Endeavour will integrate the Karma Project into its existing West African operations management structure and anticipates eliminating approximately US$6 million per annum of True Gold corporate G&A expense.
- *Increased Resource and Reserve base*. Endeavour's attributable Proven and Probable reserves will increase by 19% to 5.4 million ounces and Measured and Indicated resources will increase by 39% to 10.2 million ounces, while Inferred resources will increase by 123% to 3.9 million ounces (see table on page 73 of the Circular).
- *Unlocking value at the Karma Project*. In connection with the Arrangement, Endeavour is providing a US$15 million convertible bridge loan to True Gold to ensure True Gold remains funded as it completes construction of the Karma Project. Currently, True Gold has drawn US$105 million of its US$120 million gold streaming facility with Franco-Nevada Corporation and Sandstorm Gold Ltd. Endeavour is providing the Convertible Loan as a financing alternative that allows True Gold to maintain its current liquidity without additional gold streaming. Endeavour's enhanced ability to

finance an expanded exploration strategy at the Karma Project is also expected to generate significant value.

- *Valuation Upside*. The growth in low-cost gold production, and the further improved balance sheet profile and liquidity following the La Mancha Private Placement, allows Endeavour, firstly, to accelerate the construction of the Houndé Project, and secondly, to finance an expanded exploration strategy at both the Karma Project and Endeavour's other mines and development projects. A new long-term West African exploration strategy funded by this existing liquidity and by internal cash generation is expected to become a major pillar driving long-term value for Endeavour. The exploration strategy will be designed to extend existing mine life by converting current resources to reserves, and to identify additional new resources and reserves.
- *Anti-dilution investment of C$82.6 million*. The La Mancha Anti-Dilution Right permits La Mancha to subscribe for additional Endeavour Shares to maintain its current 30% ownership interest. Upon completion of the True Gold acquisition, La Mancha has committed to purchase approximately 7.5 million Endeavour Shares at a price of C$10.94 (in line with the 20-day trailing VWAP of Endeavour Shares on March 3, 2016) for proceeds of approximately C$82.6 million.
- *Financial Strength*. Endeavour's cash balance and available commitments from its revolving credit facility totaled US$220 million, as of December 31, 2015. Including the US$20 million proceeds received from the sale of the Youga Mine on February 29, 2016 and the La Mancha Private Placement increases the available liquidity to over US$300 million.
- *Capital preservation for Growth*. Through an all-stock transaction, Endeavour is able to acquire True Gold while retaining its financial capital to fund its pipeline of attractive growth opportunities.
- *Enhanced Capital Markets Profile*. With a combined pro forma market capitalization of approximately C$1.08 billion (March 3, 2016 pre-acquisition announcement date basis), Endeavour expects to benefit from improved market visibility including the potential to attract a wider group of investors as well as increased trading liquidity and broadened analyst coverage.

A number of these anticipated benefits and factors are based on various assumptions and are subject to various risks. See the sections of this Circular entitled "*Statements Regarding Forward-Looking Information*" and "*Risk Factors*".

The Endeavour Board also considered potential adverse factors associated with the Arrangement, including, among other things:

- as a result of the issuance of the New Endeavour Shares in connection with the Arrangement, Endeavour Shareholders will experience a significant degree of dilution in their ownership of New Endeavour which could adversely impact the market price of Endeavour Shares;
- New Endeavour may not realize the benefits currently anticipated by Endeavour due to challenges associated with integrating the properties, operations and personnel of Endeavour and True Gold;
- the completion of the Arrangement is subject to several conditions that must be satisfied or waived, including: True Gold Securityholder Approval, Endeavour Shareholder Approval, obtaining the Final Order, and satisfaction of governmental or regulatory conditions, including TSX and TSX-V approvals;

- the Arrangement Agreement may be terminated by Endeavour or True Gold in certain circumstances, in which case a termination fee of C$4,500,000 may be payable by Endeavour; and

- if the Arrangement is not completed, Endeavour (and the market price for Endeavour Shares) may be adversely affected due to potentially negative market perceptions, including the risk that the Convertible Loan will continue to be outstanding.

The foregoing summary of the information and factors considered by the Endeavour Board is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Arrangement, the Endeavour Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weights to specific factors in reaching its conclusions and recommendations. The recommendations of the Endeavour Board were made after consideration of all of the above-noted factors and in light of their collective knowledge of the business, financial condition and prospects of True Gold, and were also based upon the advice of financial and legal advisors. In addition, individual directors of Endeavour may have assigned different weights to different factors.

Endeavour Support Agreements

True Gold entered into the Endeavour Support Agreements with each of the directors and executive officers of Endeavour and with La Mancha, Endeavour's largest shareholder that, as of the Record Date, holds, directly and indirectly, and exercises control over approximately 17,706,157 Endeavour Shares, representing approximately 30% of the issued and outstanding Endeavour Shares as of the Record Date. The Endeavour Support Agreements set forth, among other things, the agreement of the Endeavour Locked-Up Securityholders to vote their Endeavour Shares in favour of the Arrangement Resolution. As of the Record Date, approximately 31.5% of the outstanding Endeavour Shares were subject to the Endeavour Support Agreements.

Pursuant to the Endeavour Support Agreements, each Endeavour Locked-Up Securityholder has agreed to, among other things, vote or cause to be voted his, her or its Endeavour Shares (including any Endeavour Shares issued upon exercise of his, her or its Endeavour Options) in favour of the Arrangement Resolution and against any matter that could be reasonably expected to delay, prevent, interfere with, discourage or frustrate the successful completion of the Arrangement. The Endeavour Support Agreements also prohibit each of the Endeavour Locked-Up Securityholders from, among other things, optioning, selling, transferring, or otherwise disposing of any Endeavour Shares or Endeavour Options, as applicable, held by such Endeavour Locked-Up Securityholder.

The Endeavour Support Agreements will automatically terminate on the earlier of: (i) the Outside Date, if the Effective Date has not occurred by the Outside Date; (ii) the termination of the Arrangement Agreement in accordance with its terms; or (iii) the Effective Time.

The forgoing will not require any director or officer of Endeavour, including in his or her capacity as a director or officer of Endeavour, to take any action in contravention of, or omit to take any action pursuant to, or otherwise take or refrain from taking any actions which are inconsistent with, instruction or directions of the Endeavour Board undertaken in the exercise of their fiduciary duties.

Arrangement Resolution

The text of the proposed Arrangement Resolution is as follows:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:

1. The issuance of such number of ordinary shares (the "**Shares**") in the capital of Endeavour Mining Corporation ("**Endeavour**") as may be required to be issued:

   (a) in connection with the arrangement (the "**Arrangement**") (as the Arrangement may be, or may have been, modified or amended) under Section 288 of the British Columbia *Business Corporations Act* involving True Gold Mining Inc. ("**True Gold**"), as set forth in the arrangement agreement dated March 3, 2016 (the "**Arrangement Agreement**") among Endeavour, Endeavour Gold, and True Gold, and all as more particularly described and set forth in the management information circular (the "**Endeavour Circular**") of Endeavour dated March 15, 2016, accompanying the notice of this meeting; and

   (b) pursuant to the exercise of the Replacement Options (as such term is defined in the Endeavour Circular) issued pursuant to the Arrangement, and all as more particularly described and set forth in the Endeavour Circular,

   up to a maximum of 18,945,248 Shares (collectively, the "**Issuance**"), is hereby authorized, adopted and approved.

2. The actions of the directors of Endeavour in approving the Issuance and the actions of the directors and officers of Endeavour in executing and delivering the Arrangement Agreement and all documents ancillary thereto, and any amendments, are hereby ratified and approved.

3. Notwithstanding that this resolution has been passed (and the Issuance approved) by the shareholders of Endeavour, the directors of Endeavour are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Endeavour:

   (a) to amend the Arrangement Agreement to the extent permitted by the Arrangement Agreement; and

   (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement or the Issuance.

4. Any one or more directors or officers of Endeavour is hereby authorized, for and on behalf and in the name of Endeavour, to execute and deliver, whether under corporate seal of Endeavour or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions and the Arrangement Agreement, including:

   (a) all actions required to be taken by or on behalf of Endeavour, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Endeavour,

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

A simple majority of the votes cast by Endeavour Shareholders at the Meeting in person or represented by proxy is required in order to pass the Arrangement Resolution.

Recommendation of the Board

After careful consideration of the Arrangement, including the rationale set forth in "*The Arrangement – Reasons for the Arrangement*", the Endeavour Board has determined that entering into the Arrangement Agreement and completing the Arrangement, on the terms and conditions set out in the Arrangement Agreement, is in the best interests of Endeavour and unanimously RECOMMENDS that Endeavour Shareholders VOTE IN FAVOUR of the Arrangement Resolution.

Approvals

Endeavour Shareholder Approval

Pursuant to Section 611(c) of the TSX Manual, a listed company is required to obtain shareholder approval in connection with an acquisition where the number of securities issued or issuable in payment of the purchase price for the acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the acquisition. **As the Arrangement will result in Endeavour issuing in excess of 25% of the outstanding Endeavour Shares, Endeavour Shareholder approval is required. It is a condition of the Arrangement that the Arrangement Resolution be approved by a simple majority (50% plus one) of votes cast at the Meeting by Endeavour Shareholders, present in person or by proxy.** Endeavour is seeking the approval of Endeavour Shareholders to issue up to 18,945,248 New Endeavour Shares in connection with the Arrangement, representing approximately 32.09% of the 59,040,392 Endeavour Shares outstanding as at March 3, 2016, the date of the Arrangement Agreement.

For details on how on the Arrangement will impact ownership of securities, see "*Business of the Meeting*", above.

True Gold Securityholder Approval

The Arrangement requires the approval of the True Gold Securityholders at the True Gold Meeting, such approvals being:

- two-thirds of the votes cast by the True Gold Shareholders at the True Gold Meeting, present in person or by proxy and voting as a single class;
- two-thirds of the votes cast at by the True Gold Securityholders at the True Gold Meeting present in person or by proxy at the True Gold Meeting and voting as a single class; and
- a simple majority of the votes cast by the True Gold Shareholders, excluding the votes attaching to the True Gold Shares required to be excluded from the vote on the Arrangement in accordance with MI 61-101.

Court Approval

The BCBCA requires that True Gold must obtain approval of the Court in respect of the Arrangement.

On March 18, 2016, True Gold obtained the Interim Order which provides for the calling and holding of the True Gold Meeting and other procedural matters. Copies of the Interim Order and the Notice of Hearing of Petition are attached as appendices to the management information circular of True Gold in connection with the True Gold Meeting.

The Court hearing in respect of the Final Order is expected to take place at 9:45 a.m. (Vancouver time) on April 22, 2016, or as soon thereafter as counsel for True Gold may be heard, subject to True Gold Securityholder Approval and Endeavour Shareholder Approval having been obtained and the other conditions precedent to the Arrangement having been satisfied or waived. The Court has broad discretion under the BCBCA when making orders with respect to the Arrangement, and the Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. Depending upon the nature of any required amendments, Endeavour or True Gold, acting reasonably, may determine not to proceed with the Arrangement.

Prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for an exemption from registration under the U.S. Securities Act for the Endeavour securities issuable in connection with the Arrangement to True Gold Securityholders pursuant to Section 3(a)(10) of the U.S. Securities Act. True Gold Securityholders, as well as creditors of True Gold, have the right to appear and make submissions at the application for the Final Order, in accordance with the terms of the Interim Order. There can be no assurance that the Court will approve the Arrangement.

Regulatory Approvals

(i) TSX

Endeavour is not aware of any consents, waivers, modifications, exemptions, approvals or other such acts required from the TSX, other than listing approval for the New Endeavour Shares to be issued in connection with the Arrangement. On March 18, 2016, Endeavour obtained the TSX's conditional approval to list up to 18,945,248 New Endeavour Shares in connection with the Arrangement subject only to the satisfaction of the customary listing conditions of the TSX, including Endeavour Shareholder Approval.

(ii) TSX-V

It is a condition of the Arrangement that True Gold obtain any waiver, consent, confirmation or approval of the TSX-V required by True Gold in connection with the transactions contemplated by the Arrangement Agreement. On March 11, 2016 True Gold obtained the TSX-V's conditional approval of the Arrangement subject only to the satisfaction of the customary conditions of the TSX-V.

Issuance of New Endeavour Shares and Replacement Options

The New Endeavour Shares and Replacement Options to be issued pursuant to the Arrangement have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction. The New Endeavour Shares to be issued in the Arrangement will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws and pursuant to the exemption from the

registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act, based on the approval of the Arrangement by the Court.

Treatment of True Gold Shares

Under the terms of the Arrangement, all True Gold Shares will be deemed to be transferred and assigned to Endeavour SubCo and the former holders of such True Gold Shares will receive 0.044 of an Endeavour Share for each True Gold Share held immediately before the Arrangement. The stated capital of the True Gold Shares will then be reduced to an aggregate of C$1.00 without any repayment of capital in respect thereof and True Gold and Endeavour SubCo will proceed to merge as if they had been amalgamated under Section 269 of the BCBCA. The name of the amalgamated company will be "True Gold Mining Inc.", and it will become an indirect wholly-owned subsidiary of Endeavour.

Treatment of True Gold Options

Under the Arrangement, the True Gold Options will also be exchanged on the basis of the Exchange Ratio. Each True Gold Option that has not been exercised prior to the Effective Date will be exchanged for a Replacement Option entitling the former holder of such True Gold Option to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at a modified exercise price applying the Exchange Ratio of 0.044 to the original exercise price of such True Gold Option. Each Replacement Option will be exercisable for a period of: (i) 180 days following the Effective Date; or (ii) 12 months following the Effective Date for certain True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreements with True Gold.

Treatment of True Gold DSUs

In connection with the Arrangement, each outstanding True Gold DSU will, in accordance with the terms of the True Gold DSU Plan, be settled through the issuance of True Gold Shares immediately prior to the Effective Time such that the former holders of such True Gold DSUs will participate in the Arrangement on the same terms as the holders of True Gold Shares.

Treatment of True Gold RSUs

In connection with the Arrangement, each outstanding True Gold RSU will, in accordance with the terms of the True Gold RSU Plan, be settled through the issuance of True Gold Shares immediately prior to the Effective Time such that the former holders of such True Gold RSUs will participate in the Arrangement on the same terms as the holders of True Gold Shares.

Treatment of True Gold SARs

Following completion of the Arrangement, each True Gold SAR outstanding immediately before the Effective Date will, in accordance with the terms of the True Gold SAR Agreements, entitle the holder thereof to receive on exercise a cash amount equal to the closing price of the Endeavour Shares on the TSX on the day immediately before the exercise multiplied by 0.044, less $0.19, and will be exercisable until February 27, 2017.

THE ARRANGEMENT AGREEMENT

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Arrangement Agreement, which is incorporated by reference herein and may be found under Endeavour's profile on SEDAR at www.sedar.com.

The Arrangement is being effected pursuant to the Arrangement Agreement, a copy of which has been filed under Endeavour's profile on SEDAR at www.sedar.com and may also be obtained free of charge, upon request of any Endeavour Shareholder to Endeavour by phone at +33 (0) 170 38 3650 or by email at eblanchard@endeavourmining.com. The following is a summary of certain material provisions of the Arrangement Agreement, which is not comprehensive and is qualified in its entirety by reference to the full text of the Arrangement Agreement. Endeavour Shareholders are encouraged to read the Arrangement Agreement in its entirety.

Explanatory Note Regarding the Arrangement Agreement and the Summary of the Arrangement Agreement: Representations, Warranties, Covenants and Conditions Precedent in the Arrangement Agreement are Not Intended to be Relied on as Public Disclosures.

The Arrangement Agreement and the summary of its material terms and conditions in this Circular have been included to provide information about the terms and conditions of the Arrangement Agreement. They are not intended to provide any other public disclosure of factual information about True Gold, Endeavour or any of their respective subsidiaries or affiliates. The representations, warranties, covenants and conditions precedent contained in the Arrangement Agreement are made by True Gold, Endeavour and Endeavour Gold, as applicable, only for the purposes of the Arrangement Agreement and were qualified and subject to certain limitations and exceptions agreed to by True Gold, Endeavour and Endeavour Gold, as applicable, in connection with the negotiation of the terms of the Arrangement Agreement. In particular, in your review of the representations and warranties contained in the Arrangement Agreement and described in this summary, it is important to bear in mind that the representations and warranties were made solely for the benefit of the parties to the Arrangement Agreement and were negotiated for the purpose of allocating contractual risk between the parties to the Arrangement Agreement rather than to establish matters as facts. The representations and warranties may also be subject to a contractual standard of materiality or material adverse effect different from those generally applicable to securityholders and reports and documents filed with the Canadian securities regulatory authorities and in some cases may be qualified by disclosures made by one party to the other, which are not necessarily reflected in the Arrangement Agreement. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this Circular, may have changed since the date of the Arrangement Agreement, and subsequent developments or new information qualifying a representation or warranty may have been included in or incorporated by reference into this Circular.

For the foregoing reasons, the representations, warranties, covenants and conditions precedent or any descriptions of them should not be read alone or relied upon as characterizations of the actual state of facts or conditions of True Gold, Endeavour or any of their respective subsidiaries or affiliates. Instead, such provisions or descriptions should be read only in conjunction with the other information provided elsewhere in this Circular or incorporated by reference herein.

Representations and Warranties

The Arrangement Agreement contains a number of representations and warranties made by True Gold, Endeavour and Endeavour Gold that are subject in some cases to exceptions and qualifications (including materiality qualifications and exceptions that would not have a True Gold Material Adverse Effect or Endeavour Material Adverse Effect, as applicable). Although sometimes different in form and scope, the representations and warranties in the Arrangement Agreement made by True Gold, on the one hand, and Endeavour and Endeavour Gold, on the other hand, are generally reciprocal and are customary for a transaction of this nature. The representations and warranties in the Arrangement Agreement do not survive the Effective Time.

Obligations to Effect the Arrangement

True Gold, Endeavour and Endeavour Gold are obligated under the Arrangement Agreement to perform certain tasks in order to effect the Arrangement, including those tasks described below.

Endeavour agreed, subject to various exceptions, limitations and conditions set forth in the Arrangement Agreement that it will, among other things:

(a) subject to the terms of the Arrangement Agreement, cooperate with and assist True Gold in seeking the Interim Order and the Final Order, including by providing True Gold on a timely basis any information reasonably required to be supplied by Endeavour in connection therewith;

(b) apply for and use commercially reasonable efforts to obtain conditional approval of the listing and posting for trading on the TSX of the New Endeavour Shares, subject only to satisfaction by Endeavour of customary listing conditions of the TSX; and

(c) following receipt by True Gold of the Final Order, deposit or cause to be deposited in escrow with the depositary sufficient New Endeavour Shares to satisfy the aggregate consideration payable to True Gold Shareholders pursuant to the Plan of Arrangement.

True Gold agreed, subject to various exceptions, limitations and conditions set forth in the Arrangement Agreement that it will, among other things:

(a) diligently pursue an application with the Court for an Interim Order in accordance with the provisions set forth in the Arrangement Agreement and in a manner acceptable to Endeavour, acting reasonably, as soon as reasonably practicable after the execution of the Arrangement Agreement;

(b) advise the Court of the parties' intention to rely upon the exemption under Section 3(a)(10) of the U.S. Securities Act prior to the hearing required to approve the Arrangement;

(c) disclose in its management information circular: (i) that the special committee of True Gold has received a fairness opinion from Haywood Securities and the True Gold Board has received a fairness opinion from National Bank Financial; (ii) the general terms of the fairness opinions from Haywood Securities and National Bank Financial; and (iii) that the True Gold Board has determined, after receiving financial and legal advice and following the receipt and review of a unanimous recommendation from the special committee of True Gold, that the Arrangement Consideration per share to be received by True Gold Shareholders (other

than Endeavour) pursuant to the Arrangement is fair and that the Arrangement is in the best interests of True Gold, and the True Gold Board has decided to recommend that the True Gold Securityholders vote in favour of the Arrangement;

(d) amend the Plan of Arrangement at any time prior to the Effective Time in accordance with the Arrangement Agreement to include such other terms determined to be necessary or desirable by Endeavour, acting reasonably provided, however, that the Plan of Arrangement will not be amended in any manner which has the effect of reducing the Arrangement Consideration to be received by the True Gold Shareholders or which is otherwise prejudicial to the True Gold Shareholders or other parties to be bound by the Plan of Arrangement and is inconsistent with the provisions of the Arrangement Agreement;

(e) promptly advise Endeavour of any written notice of dissent or purported exercise (or withdrawal) by any True Gold Shareholder of its rights to dissent received by True Gold in relation to the Arrangement and any written communications sent by or on behalf of True Gold to any True Gold Shareholder exercising or purporting to exercise its rights to dissent in relation to the Arrangement; and

(f) diligently pursue and take all steps necessary or desirable to have the hearing before the Court of the application for the Final Order (in form reasonably acceptable to Endeavour) held as soon as reasonably practicable following the later of the approval of the True Gold Arrangement Resolution at the True Gold Meeting and the approval of the Arrangement Resolution at the Meeting.

Conduct of the Business of True Gold and Endeavour Pending Completion of the Arrangement

Under the Arrangement Agreement, True Gold and Endeavour have agreed that, except as expressly contemplated by the Arrangement Agreement or with the other party's written consent, True Gold and Endeavour will conduct their respective businesses in the ordinary course of business consistent with past practice and use commercially reasonable efforts to preserve intact their present business organizations and goodwill, to preserve intact their material real property and mineral rights, to keep the services of their officers and employees as a group and to maintain satisfactory relationships consistent with past practice with their suppliers and others having business relationships with them.

True Gold Non-Solicitation; Acquisition Proposals

Subject to the exceptions described below, True Gold has agreed that True Gold and its subsidiaries will not, directly or indirectly, through any of its or its subsidiaries' officers, directors, employees, advisors, representatives, agents or otherwise:

(a) solicit, initiate, encourage or otherwise facilitate any inquiries, proposals or offers from any other person relating to any Acquisition Proposal for True Gold, or furnish to any person any information with respect to, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other person to do or seek to do any of the foregoing;

(b) engage in any discussions or negotiations regarding, or provide any information with respect to, or otherwise co-operate in any way with, or assist or participate in, facilitate or

encourage, any effort or attempt by any other person to make or complete any Acquisition Proposal for True Gold;

(c) make a True Gold Change in Recommendation (as defined below);

(d) accept, approve, recommend or remain neutral with respect to any Acquisition Proposal for True Gold; or

(e) accept or enter into, or publicly propose to accept or enter into, any agreement related to any Acquisition Proposal,

provided, however, that nothing contained in the Arrangement Agreement will prevent True Gold from, and True Gold will be permitted to engage in discussions or negotiations with, or respond to enquiries from any person that has made a bona fide unsolicited written Acquisition Proposal that the True Gold Board has determined (disregarding for the purposes of such determination any due diligence investigation) constitutes or could reasonably be expected to result in a Superior Proposal, or providing information and waiving any standstill provision or agreement that would otherwise prohibit such person from making an Acquisition Proposal in accordance with certain other non-solicitation provisions of the Arrangement Agreement, as described below.

As of the date of the Arrangement Agreement, True Gold must have ceased any existing discussions or negotiations with any third party with respect to any potential Acquisition Proposal and, in connection therewith, True Gold must have discontinued access to any of its confidential information. True Gold must also not release any third party from any confidentiality, non-solicitation or standstill agreement to which such third party is a party, or terminate, modify, amend or waive the terms thereof and must enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it or its subsidiaries have entered into or enter into.

True Gold must immediately provide notice to Endeavour of any unsolicited Acquisition Proposal or any proposal, inquiry or offer that could lead to an Acquisition Proposal or any amendments to the foregoing or any request for non-public information relating to True Gold or any of its subsidiaries in connection with such an Acquisition Proposal or for access to the confidential information related to True Gold or any subsidiary, including information relating to the properties, books or records of True Gold or any subsidiary. Such notice must indicate the identity of the person making such proposal, inquiry or contact, all material terms thereof and such other details of the proposal, inquiry or contact known to True Gold, and must include copies of any such proposal, inquiry, offer or request or any amendment to any of the foregoing. True Gold must keep Endeavour promptly informed of the status of any such Acquisition Proposal, offer, inquiry or request and must respond promptly to all related inquiries of Endeavour.

True Gold must not accept, approve or enter into any agreement (a "**Proposed Agreement**") with any person providing for or to facilitate any Acquisition Proposal unless certain conditions are satisfied, including:

(a) the True Gold Board has determined that the Acquisition Proposal constitutes a Superior Proposal;

(b) the True Gold Meeting has not occurred;

(c) True Gold has complied with the non-solicitation provisions in the Arrangement Agreement, as described above;

(d) True Gold has provided Endeavour with a notice in writing that the Acquisition Proposal constitutes a Superior Proposal together with all documentation related to the Superior Proposal, including a copy of any Proposed Agreement relating to such Superior Proposal, and a written notice from the True Gold Board regarding the value in financial terms that the True Gold Board has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal, such documents being provided to Endeavour not less than six calendar days prior to the proposed acceptance, approval, recommendation or execution of the Proposed Agreement by True Gold;

(e) six calendar days have elapsed from the date Endeavour received the notice and documentation referred to in paragraph (d) above and, if Endeavour has proposed to amend the terms of the Arrangement, the True Gold Board has determined, in good faith, after consultation with its financial advisors and outside legal counsel, that the Acquisition Proposal is a Superior Proposal compared to the proposed amendment to the terms of the Arrangement by Endeavour; and

(f) True Gold terminates the Arrangement Agreement and pays Endeavour the termination fee, as described below.

During the six calendar day period referred to in paragraphs (d) and (e) above or such longer period as True Gold may approve for such purpose, Endeavour has the opportunity to propose to amend the terms of the Arrangement Agreement and the Arrangement and True Gold must co-operate with Endeavour with respect thereto, including negotiating in good faith with Endeavour to enable Endeavour to make such adjustments to the terms and conditions of the Arrangement Agreement and the Arrangement as Endeavour deems appropriate and as would enable Endeavour to proceed with the Arrangement and any related transactions on such adjusted terms. The True Gold Board must review any proposal by Endeavour to amend the terms of the Arrangement in order to determine, in good faith in the exercise of its fiduciary duties, whether Endeavour's proposal to amend the Arrangement would result in the Acquisition Proposal not being a Superior Proposal compared to the proposed amendment to the terms of the Arrangement.

Additional Covenants

Endeavour will:

(a) cause True Gold to maintain certain "run off" directors' and officers' liability insurance coverage for six years from the Effective Date;

(b) cause True Gold to honour all rights to indemnification or exculpation existing as of the date of the Arrangement Agreement in favour of present and former officers and directors of True Gold and its subsidiaries to the extent that they have been disclosed to Endeavour, which rights will continue in full force and effect for a period of not less than six years from the Effective Date; and

(c) following the Effective Time, honour and pay and will cause its subsidiaries to honour and pay all amounts triggered by the completion of the Arrangement in all employment agreements, consultant agreements, equity or security based compensation arrangements, policies or other similar arrangements or plans of any kind that have been disclosed to Endeavour and which True Gold has provided an executed copy to Endeavour prior to the date of the Arrangement Agreement.

Conditions to the Arrangement

Mutual Conditions

True Gold's, Endeavour's and Endeavour Gold's (as applicable) obligations to complete the Arrangement are subject to the fulfillment or waiver at or prior to the Effective Time of certain mutual conditions, including the following:

(a) the True Gold Arrangement Resolution being approved and adopted at the True Gold Meeting in accordance with the Interim Order;

(b) the Interim Order and the Final Order each having been obtained, and having not been set aside or modified in a manner unacceptable to True Gold and Endeavour, acting reasonably, on appeal or otherwise;

(c) Endeavour Shareholder Approval having been obtained;

(d) no governmental entity having enacted, issued, promulgated, enforced or entered any law which is then in effect and has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement;

(e) the Endeavour Shares to be delivered pursuant to the Arrangement will be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; provided, however, that True Gold will not be entitled to the benefit of the condition in this provision, and will be deemed to have waived such condition, in the event that True Gold fails to advise the Court prior to the hearing in respect of the Final Order that Endeavour intends to rely on the exemption from registration afforded by Section 3(a)(10) of the U.S. Securities Act based on the Court's approval of the Arrangement and comply with certain other requirements in the Arrangement Agreement; and

(f) there being no suit, action or proceeding by any governmental entity or any other person that has resulted in an imposition of material limitations on the ability of Endeavour to acquire or hold, or exercise full rights of ownership of, any True Gold Shares.

Any of these mutual conditions may be waived by mutual consent of Endeavour and True Gold.

Additional Conditions in favour of Endeavour

Endeavour's obligations to complete the Arrangement are subject to the fulfillment or waiver at or prior to the Effective Time of the following conditions, among others:

(a) True Gold will have performed in all material respects all of its covenants under the Arrangement Agreement required to be performed at or prior to the Effective Time and all negative covenants of True Gold will not have been breached;

(b) the representations and warranties of True Gold will be true and correct in all respects, without regard to any materiality or True Gold Material Adverse Effect qualifications contained in them, as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which will be determined as of that specified date), except where the failures of all such representations and warranties to be so true and correct

in all respects would not reasonably be expected to have a True Gold Material Adverse Effect, provided, however, that the representations and warranties of True Gold set forth in the Arrangement Agreement with respect to its interest in property and mineral rights, mineral reserves and resources and corrupt practices legislation will be true and correct in all material respects as of the Effective Time;

(c) there will not have occurred a True Gold Material Adverse Effect; and

(d) holders of no more than 5% of the True Gold Shares will have exercised their rights to dissent in respect of the True Gold Arrangement Resolution.

Endeavour may, in its sole discretion, waive any of these conditions in whole or in part.

Additional Conditions in favour of True Gold

True Gold's obligations to complete the Arrangement are subject to the fulfillment or waiver at or prior to the Effective Time of the following conditions, among others:

(a) Endeavour will have performed in all material respects all of its covenants under the Arrangement Agreement required to be performed at or prior to the Effective Time and all negative covenants of Endeavour will not have been breached;

(b) the representations and warranties of Endeavour will be true and correct in all respects, without regard to any materiality or Endeavour Material Adverse Effect qualifications contained in them, as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which will be determined as of that specified date), except where the failures of all such representations and warranties to be so true and correct in all respects would not reasonably be expected to have an Endeavour Material Adverse Effect, provided, however, that the representations and warranties of Endeavour set forth in the Arrangement Agreement with respect to interest in property and mineral rights, mineral reserves and resources and corrupt practices legislation will be true and correct in all material respects as of the Effective Time;

(c) following receipt by True Gold of the Final Order, Endeavour will have deposited or caused to be deposited in escrow with the depositary sufficient Endeavour Shares to satisfy the aggregate consideration payable to True Gold Shareholders which are to receive Endeavour Shares pursuant to the Plan of Arrangement; and

(d) there will not have occurred an Endeavour Material Adverse Effect.

True Gold may, in its sole discretion, waive any of these conditions in whole or in part.

Termination

The Arrangement Agreement may be terminated at any time prior to the Effective Time in each of the following circumstances, among others:

(a) by the mutual written agreement of True Gold and Endeavour;

(b) by either True Gold or Endeavour, if:

(i) the Arrangement has not become effective on or before July 31, 2016, provided that a party may not terminate the Arrangement Agreement if its breach of the Arrangement Agreement caused or resulted in the failure of the Arrangement to become effective by July 31, 2016;

(ii) there is enacted or made any law that makes the consummation of the Arrangement illegal or otherwise prohibited, and such law has become final and non-appealable;

(iii) the True Gold Securityholder Approval will not have been obtained at the True Gold Meeting in accordance with the Interim Order; or

(iv) Endeavour Shareholder Approval will not have been obtained at the Meeting.

(c) by Endeavour, if:

(i) prior to the Effective Time, subject to certain non-solicitation provisions of the Arrangement Agreement (which permit the True Gold Board to change its recommendation subject to certain conditions), the True Gold Board has withdrawn, amended or modified its recommendation of the Arrangement in a manner adverse to Endeavour or the True Gold Board or a committee thereof will have approved or recommended any Acquisition Proposal or will have remained neutral with respect to any Acquisition Proposal for more than two Business Days after first learning of such Acquisition Proposal (each, a "**True Gold Change in Recommendation**");

(ii) prior to the Effective Time, True Gold will have breached the non-solicitation provisions of the Arrangement Agreement in any material respect; or

(iii) True Gold breaches the Arrangement Agreement such that it would give rise to the failure of a closing condition related to the performance of obligations or the accuracy of representations and warranties of True Gold to be met, and such conditions are incapable of being satisfied by July 31, 2016, as reasonably determined by Endeavour, so long as Endeavour is not in breach of the Arrangement Agreement such that it would give rise to the failure of such conditions to be met.

(d) by True Gold, if:

(i) Endeavour breaches the Arrangement Agreement such that it would give rise to the failure of a closing condition related to the performance of obligations or the accuracy of representations and warranties of Endeavour to be met, and such conditions are incapable of being satisfied by July 31, 2016, as reasonably determined by True Gold, so long as True Gold is not in breach of the Arrangement Agreement such that it would give rise to the failure of such conditions to be met; or

(ii) The True Gold Board authorizes True Gold to enter into a definitive agreement with respect to a Superior Proposal, subject to compliance with the non-solicitation provisions within the Arrangement Agreement in all material respects and provided, however, that True Gold will have paid to Endeavour a termination fee of C$4,500,000.

Termination Fee and Reverse Termination Fee

True Gold has agreed to pay a termination fee of C$4,500,000 to Endeavour if any one of the following events occurs:

(a) Endeavour terminates the Arrangement Agreement in connection with: (i) a True Gold Change in Recommendation; (ii) True Gold breaches the non-solicitation provisions within the Arrangement Agreement in any material respect; or (iii) the True Gold Board or a committee thereof resolves or proposes to take any of the actions in (i) or (ii);

(b) True Gold terminates the Arrangement Agreement in connection with entering into a definitive agreement with respect to a Superior Proposal in compliance with the non-solicitation provisions within the Arrangement Agreement; or

(c) Either: (i) True Gold or Endeavour terminates the Arrangement Agreement in connection with: (A) the True Gold Securityholder Approval not being obtained at the True Gold Meeting; or (B) the Arrangement not becoming effective on or before July 31, 2016, provided that a party may not terminate the Arrangement Agreement if its breach of the Arrangement Agreement caused or resulted in the failure of the Arrangement to become effective by July 31, 2016; or (ii) Endeavour terminates the Arrangement Agreement as a result of a breach by True Gold of the Arrangement Agreement such that it would give rise to the failure of a closing condition related to the performance of obligations or the accuracy of representations and warranties of True Gold to be met, and such conditions are incapable of being satisfied by July 31, 2016, as reasonably determined by Endeavour, so long as Endeavour is not in breach of the Arrangement Agreement such that it would give rise to the failure of such conditions to be met; and in each case only if, with respect to these termination events: (i) prior to such termination, an Acquisition Proposal for True Gold being made or publicly announced by any person other than Endeavour; and (B) within twelve months following the date of such termination, True Gold or any of its subsidiaries enters into a definitive agreement in respect of an Acquisition Proposal or an Acquisition Proposal for True Gold has consummated. Provided however that, for purposes of this termination provision, all references to "20%" in the definition of Acquisition Proposal will be deemed to be references to "50%".

Endeavour has agreed to pay a reverse termination fee of C$4,500,000 to True Gold if any one of the following events occurs prior to the occurrence of the events described above that would require True Gold to pay a C$4,500,000 termination fee to Endeavour:

(a) True Gold terminates the Arrangement Agreement because Endeavour failed to perform any covenant under the Arrangement Agreement and such failure to perform would give rise to a closing condition related to the performance of obligations of Endeavour being incapable of being satisfied by July 31, 2016, so long as at the time of such termination there is no state of facts or circumstances that would cause any of the mutual conditions or conditions in favour of Endeavour not to be satisfied on or before July 31, 2016; or

(b) either True Gold or Endeavour terminates the Arrangement Agreement because: (i) the Arrangement has not become effective on or before July 31, 2016, provided that a party may not terminate the Arrangement Agreement if its breach of the Arrangement Agreement caused or resulted in the failure of the Arrangement to become effective by July 31, 2016; or (ii) Endeavour Shareholder Approval was not obtained at the Meeting; but only if, prior to

such termination, a bona fide Endeavour Proposal was made and publically announced and Endeavour enters into a definitive agreement to implement such Endeavour Proposal or such Endeavour Proposal is consummated within twelve months following the date of such termination.

CONVERTIBLE LOAN TO TRUE GOLD

In connection with the Arrangement and pursuant to the Convertible Loan Agreement, Endeavour has committed to provide (subject to certain conditions precedent) a US$15 million short term Convertible Loan to True Gold, through its wholly-owned subsidiary TGM Finance, in order to ensure that True Gold remains well funded as it completes construction of the Karma Project and for other working capital needs. The Convertible Loan is being provided by Endeavour as a financing alternative that allows True Gold to maintain its liquidity without additional drawdown under its gold stream arrangement.

The Convertible Loan, if drawn at the option of True Gold, is repayable on the first anniversary of a drawdown by True Gold in cash, or upon the occurrence of certain events, at Endeavour's option, in True Gold Shares at a conversion price per share equal to the 5-day VWAP of the True Gold Shares on the TSX-V on the day immediately before True Gold delivers a drawdown request to Endeavour. Interest on the Convertible Loan will accrue from the date of draw-down at a rate of LIBOR plus 4% and is repayable on the same terms as the principal.

LA MANCHA PRIVATE PLACEMENT

At the Meeting, Endeavour Shareholders will also be asked to consider, and, if deemed fit, to pass the La Mancha Placement Resolution. In accordance with the TSX Manual and as described below, the La Mancha Placement Resolution is an ordinary resolution of disinterested shareholders which requires the approval of a simple majority of the Endeavour Shareholders with the votes attached to the Endeavour Shares beneficially owned or controlled by La Mancha excluded for the purposes of the vote, being the Disinterested Shareholder Approval. As of the date of this Circular, La Mancha holds, directly and indirectly, or exercises control over 17,706,157 Endeavour Shares, representing approximately 30% of the issued and outstanding Endeavour Shares. As a result of its shareholdings in Endeavour, La Mancha is considered an insider of Endeavour under the TSX Manual.

Approval by Endeavour Shareholders of the La Mancha Placement Resolution is not a condition to the completion of the Arrangement with True Gold.

Pursuant to the Investor Rights Agreement, among other things, La Mancha has the La Mancha Anti-Dilution Right which allows La Mancha to subscribe for additional Endeavour Shares in order to maintain its ownership interest if Endeavour proposes or becomes obligated to issue Endeavour Shares. In connection with the issuance of Endeavour Shares under the Arrangement, La Mancha has committed in advance to purchase sufficient Endeavour Shares in order to maintain its ownership interest in Endeavour following completion of the Arrangement.

In accordance with the La Mancha Subscription Agreement, subject to certain conditions described below, La Mancha has agreed to purchase 7,546,775 Endeavour Shares at a price of C$10.94 per share, which represents a 10.56% discount to Endeavour's 5-day VWAP on the TSX as of March 3, 2016, the date of the La Mancha Subscription Agreement. Endeavour expects to receive gross proceeds of approximately C$82,561,718.50 from the La Mancha Private Placement. The 7,546,775 Endeavour Shares to be issued under

the La Mancha Private Placement represent 12.78% of the issued and outstanding Endeavour Shares as of March 3, 2016, the date of the La Mancha Subscription Agreement.

The La Mancha Private Placement is subject to, among other things, completion of the Arrangement and La Mancha having determined, acting reasonably, that an Endeavour Material Adverse Effect and a True Gold Material Adverse Effect have not occurred. TSX conditional approval for the La Mancha Private Placement was obtained on March 18, 2016, but is subject to, among other things, receipt of Disinterested Shareholder Approval.

Pursuant to Section 607(g)(ii) of the TSX Manual, a listed company is required to obtain disinterested shareholder approval for a private placement that results, in any six month period, in the issuance of securities of the listed issuer to an insider of the listed issuer in excess of 10% of the number of securities of the listed issuer that are outstanding, on a non-diluted basis, before closing of the private placement. Accordingly, Endeavour is seeking Disinterested Shareholder Approval for the issuance of 1,642,736 Endeavour Shares to La Mancha in connection with the La Mancha Private Placement, being that number of Endeavour Shares under the La Mancha Private Placement in excess of 10% of the number of Endeavour Shares outstanding as of the date of the La Mancha Subscription Agreement.

If the La Mancha Placement Resolution does not pass, Endeavour will issue, and La Mancha will purchase, 5,904,039 Endeavour Shares at C$10.94 per share for gross proceeds to Endeavour of approximately C$64.6 million, and La Mancha will continue to have the right under the Investor Rights Agreement to purchase additional Endeavour Shares, when permitted under the TSX Manual, to regain its 30% interest in Endeavour. A copy of the Investor Rights Agreement is available for review under Endeavour's SEDAR profile at www.sedar.com.

The reasons for the La Mancha Private Placement, and certain risks associated with the La Mancha Private Placement and related information, are described below.

Reasons for the La Mancha Private Placement

La Mancha has a right to exercise the La Mancha Anti-Dilution Right under the Investor Rights Agreement, which right is trigged by the issuance of Endeavour Shares in connection with the Arrangement. The Endeavour Board believes that it is in the best interests of Endeavour to issue the Endeavour Shares in connection with the La Mancha Private Placement for the following reasons:

- *Additional funding of C$82.6 million*. The purchase by La Mancha of approximately 7.5 million Endeavour Shares at a price of C$10.94 will provide Endeavour with additional proceeds of approximately C$82.6 million.
- *Financial Strength*. Endeavour's cash balance and available commitments from its revolving credit facility totaled US$220 million, as of December 31, 2015. The La Mancha Private Placement increases available liquidity to over US$300 million.
- *Valuation Upside*. The further improved balance sheet profile and liquidity following the La Mancha Private Placement, allows Endeavour, firstly, to accelerate the construction of the Houndé Project, and secondly, to finance an expanded exploration strategy at both the Karma Project and Endeavour's other mines and development projects. A new long-term West African exploration strategy funded by this existing liquidity and by internal cash generation is expected to become a major pillar driving long-term value for Endeavour. The exploration strategy will be designed to extend existing mine life by converting current resources to reserves, and to identify additional new resources and reserves.

Completion of the La Mancha Private Placement

Assuming receipt of Disinterested Shareholder Approval and completion of the Arrangement, Endeavour expects to complete the La Mancha Private Placement within three business days of the completion of the Arrangement. If the La Mancha Placement Resolution does not pass, Endeavour will issue, and La Mancha will purchase, 5,904,039 Endeavour Shares at C$10.94 per share for gross proceeds to Endeavour of approximately C$64.6 million, and La Mancha will continue to have the right under the Investor Rights Agreement to purchase additional Endeavour Shares, when permitted under the TSX Manual, to regain its 30% interest in Endeavour.

Impact of the La Mancha Private Placement if Implemented

On a pro forma basis, the La Mancha Private Placement is not expected to have a dilutive effect on the voting powers of Endeavour Shareholders since the La Mancha Anti-Dilution Right only allows La Mancha to maintain its 30% ownership interest in Endeavour, which La Mancha holds as of the date of this Circular.

Subject to completion of the Arrangement, upon closing of the La Mancha Private Placement, La Mancha is expected to hold approximately 25,252,932 Endeavour Shares, representing approximately 30% of the issued and outstanding Endeavour Shares.

La Mancha Placement Resolution

The text of the proposed La Mancha Placement Resolution is as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The issuance by the Corporation of up to 1,642,736 ordinary shares of the Corporation ("**Shares**"), being that number of Shares proposed to be issued to La Mancha Holding S.àr.l. ("**La Mancha**") in excess of 10% of the number of issued and outstanding Shares as of March 3, 2016, the date of the subscription agreement (the "**Subscription Agreement**") between the Corporation and La Mancha pursuant to which La Mancha has agreed to subscribe for up to 7,546,775 Endeavour Shares (the "**La Mancha Private Placement**"), is authorized and approved;

2. The actions of the directors of the Corporation (the "**Board**") in approving the La Mancha Private Placement and the actions of the directors and officers of the Corporation in executing and delivering the Subscription Agreement and all documents ancillary thereto, and any amendments, are hereby ratified and approved;

3. Notwithstanding any of the foregoing, the Board is hereby authorized, subject to the terms of the Subscription Agreement, at its sole discretion and without further approval of or notice to the shareholders of the Corporation, to determine not to implement the La Mancha Private Placement;

4. Any officer or director of the Corporation is hereby authorized, acting for, in the name of and on behalf of the Corporation, to execute, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such documents, agreements and instruments, and to do or cause to be done all such other acts and things, as such officer or director determines to be necessary or desirable in order to carry out the intent of the foregoing paragraphs of this resolution and the matters authorized hereby, such

determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing; and

5. These approvals are given for all purposes under the TSX Company Manual, including Section 607(g)(ii) thereof."

In accordance with the TSX Manual and as described below, the La Mancha Placement Resolution is an ordinary resolution of disinterested shareholders which requires the approval of a simple majority of the Endeavour Shareholders with the votes attached to the Endeavour Shares beneficially owned or controlled by La Mancha excluded for the purposes of the vote, being the Disinterested Shareholder Approval. As of the date of this Circular, La Mancha holds, directly and indirectly, or exercises control over 17,706,157 Endeavour Shares, representing approximately 30% of the issued and outstanding Endeavour Shares.

After careful consideration of the La Mancha Private Placement, the Endeavour Board has determined that entering into the La Mancha Subscription Agreement and completing the La Mancha Private Placement, on the terms and conditions set out in the La Mancha Subscription Agreement, is in the best interests of Endeavour and RECOMMENDS that Endeavour Shareholders VOTE IN FAVOUR of the La Mancha Placement Resolution.

Mr. Naguib Sawiris, one of the directors of Endeavour, had declared his interest in the La Mancha Private Placement and abstained from voting on the La Mancha Subscription Agreement and the La Mancha Private Placement. Mr. Sawiris declared an interest in the La Mancha Private Placement as a result of his position as Chairman of the Advisory Board of La Mancha. All other directors of Endeavour voted in favour of the La Mancha Subscription Agreement and the La Mancha Private Placement.

SHARE CAPITAL INCREASE

At the Meeting, Endeavour Shareholders will also be asked to consider, and, if deemed fit, to pass the Share Capital Resolution.

The approval of the Share Capital Resolution by Endeavour Shareholders would give the Endeavour Board authority to increase the authorized share capital of Endeavour from US$20,000,000 divided into 100,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, to US$30,000,000 divided into 200,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10, being the Share Capital Increase, within 12 months of the date of the Share Capital Resolution. Notwithstanding approval of the proposed Share Capital Increase by Endeavour Shareholders, the Endeavour Board, in its sole discretion, may abandon the Share Capital Increase without further approval or action by or prior notice to Endeavour Shareholders.

Assuming receipt of Endeavour Shareholder approval, Endeavour expects to implement the Share Capital Increase concurrently with the closing of the Arrangement, which is anticipated to occur on or about April 26, 2016. Endeavour will publicly release the timetable for the Share Capital Increase when it is finalized.

Approval by Endeavour Shareholders of the Share Capital Resolution is not a condition to the completion of the Arrangement with True Gold.

The reasons for the Share Capital Increase, and certain risks associated with the Share Capital Increase and related information, are described below.

Reasons for the Share Capital Increase

The Endeavour Board believes that it is in the best interests of Endeavour to increase the authorized share capital of Endeavour by way of the Share Capital Increase.

Endeavour has successfully implemented a 'buy and build' growth strategy since 2010. With these transactions, Endeavour will have an enlarged share base of approximately 84.2 million issued and outstanding Endeavour Shares; the current limit of authorized share capital is 100 million Endeavour Shares. Endeavour is seeking Endeavour Shareholder approval to increase the authorized share capital to 200 million Endeavour Shares with the expectation of continued long-term growth.

Importantly, any new Endeavour Share issuances would require approval from the Endeavour Board and would need to be within the rules and policies of the TSX, including the need for further Endeavour Shareholder approval in certain circumstances.

Effective Date of Share Capital Increase

If the Share Capital Increase is approved by Endeavour Shareholders and the Endeavour Board determines to implement the Share Capital Increase, the Share Capital Increase will become effective on the date specified in a resolution of the Endeavour Board. No further action on the part of the Endeavour Shareholders would be required in order for Endeavour to implement the Share Capital Increase. If the Share Capital Increase has not become effective within 12 months of the date of approval of the Share Capital Resolution by Endeavour Shareholders, the authority granted in the Share Capital Resolution to implement the Share Capital Increase will terminate. The Endeavour Board reserves its right to elect not to proceed and abandon the Share Capital Increase if it determines, in its sole discretion, that this proposal is no longer in the best interests of Endeavour.

Assuming receipt of Endeavour Shareholder approval, Endeavour expects to implement the Share Capital Increase concurrently with the closing of the Arrangement.

Impact of the Share Capital Increase if Implemented

The increase in the authorized share capital of Endeavour will cause no change in the capital attributable to Endeavour Shares and will not affect any Endeavour Shareholder's percentage ownership or any other rights attributed to the Endeavour Shares.

No Dissent Rights

Endeavour Shareholders do not have dissent rights with respect to the proposed Share Capital Increase.

Share Capital Resolution

The text of the proposed Share Capital Resolution is as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. If and when the board of directors of the Corporation (the "**Board**") resolves to do so, within 12 months of the date of this ordinary resolution, the authorized share capital of the Corporation be increased (the "**Share Capital Increase**"):

a. FROM: US$20,000,000 divided into 100,000,000 voting ordinary shares ("**Endeavour Shares**") of a nominal or par value of US$0.10 each and 100,000,000 undesignated shares of a nominal or par value of US$0.10 each;

b. TO: US$30,000,000 divided into 200,000,000 Endeavour Shares of a nominal or par value of US$0.10 each and 100,000,000 undesignated Shares of a nominal or par value of US$0.10 each; and

2. Notwithstanding any of the foregoing, the Board is hereby authorized, at its sole discretion and without further approval of or notice to the shareholders of the Corporation, to determine not to implement the Share Capital Increase."

A simple majority of the votes cast at the Meeting in person or represented by proxy is required in order to pass the Share Capital Resolution.

The Endeavour Board has determined that the Share Capital Increase is in the best interests of Endeavour and unanimously RECOMMENDS that Endeavour Shareholders VOTE IN FAVOUR of the Share Capital Resolution.

INFORMATION CONCERNING TRUE GOLD

The information concerning True Gold contained in this Circular, including information incorporated herein by reference, has been taken from or is based upon publicly available documents, records and information on file with Canadian securities regulatory authorities and other public sources or has been provided by True Gold. Although Endeavour does not have any knowledge that would indicate that any statements contained herein contains a misrepresentation, neither Endeavour nor any of its officers or directors assumes any responsibility for the accuracy or completeness of the information relating to True Gold taken from or based upon such documents, records and information or for any failure by True Gold to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Endeavour.

Documents Incorporated by Reference

Information in respect of True Gold has been incorporated by reference in this Circular from documents filed with the securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge to the Corporate Secretary of True Gold at Suite 1900, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 (telephone: 604-801-5020). These documents are also available electronically under True Gold's profile on SEDAR at www.sedar.com.

The following documents, filed with the securities commissions or similar authorities in all of the provinces and territories of Canada, except Québec, are specifically incorporated by reference into, and form an integral part of, this Circular:

(a) annual information form of True Gold dated March 16, 2016 for the financial year ended December 31, 2015;

(b) audited annual financial statements of True Gold as at, and for the financial years ended, December 31, 2015 and 2014, together with the independent report of the auditors thereon dated March 16, 2016 and the notes thereto;

(c) management's discussion and analysis of the financial condition and results of operations of True Gold for the financial year ended December 31, 2015;

(d) management information circular of True Gold dated May 8, 2015, in respect of True Gold's annual general and special meeting held on June 15, 2015; and

(e) material change report of True Gold dated March 10, 2016, regarding the Arrangement.

Any document of the type referred to above, including annual information forms, audited annual consolidated financial statements, unaudited interim consolidated financial statements and the related management's discussion and analysis, any material change reports (excluding any confidential material change reports), any business acquisition reports, the content of any news release disclosing financial information for a period more recent than the period for which financial information is or is deemed incorporated by reference in this Circular and certain other disclosure documents as set forth in Item 11.1 of Form 44-101F1 of National Instrument 44-101 of the Canadian Securities Administrators filed by True Gold with the securities commissions or similar regulatory authorities in Canada after the date of this Circular and prior to the True Gold Meeting will be incorporated by reference in this Circular.

Any statement contained herein or in any document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein, or in any subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying statement or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute part of this Circular.

General

True Gold is a mineral exploration and development company focused on exploring and developing gold projects in West Africa. The properties in which True Gold currently has an interest are located in Proterozoic Birimian greenstone sequences that host most of the major gold deposits in West Africa. True Gold`s only material project is the Karma Project, located in north-central Burkina Faso near the city of Ouahigouya, which includes six identified gold deposits. For more information on the Karma Project and the Karma Project resource, see the section entitled "*Karma Property*" in True Gold's most recent annual information form and the technical report titled "*Technical Report On An Updated Feasibility Study (GGI, GGII, Kao, Rambo & Nami Deposits) and a Preliminary Economic Assessment (North Kao Deposit) for the Karma Gold Project Burkina Faso, West Africa*" dated effective August 10, 2014, and executed on December 5, 2014, prepared by independent consultants and 'qualified persons' under NI 43-101, Eugene Puritch, P.Eng., Richard Sutcliffe, Ph.D., P. Geo. and Antoine Yassa, P.Geo. of P&E; Ismail Mahomed, Pr. Sci. Nat. and Peter Terbrugge, Pr. Sci. Nat. of SRK Consulting (Pty) Ltd.; Duncan John Grant-Stuart, Pr. Eng. of Knight Piésold (Pty) Ltd.; Martin Stapinsky, Ph.D., P. Geo. of Roche Ltd. Consulting Group; and Neil Senior, MSc. Mech.Eng FSAIMM of SENET available under True Gold's profile on SEDAR at www.sedar.com.

True Gold was incorporated under the former *Company Act* (British Columbia) on October 2, 1987. In October 1996 its name was changed to "Riverstone Resources Inc." On May 20, 2004, True Gold transitioned from the former *Company Act* (British Columbia) to the BCBCA. On April 26, 2005, True Gold altered its Notice of Articles to increase its authorized capital to an unlimited number of shares, and to remove the application of the "Pre-existing Company Provisions" which were part of True Gold's Notice of Articles by virtue of the regulations under the BCBCA. As a result of removal of the Pre-existing Company Provisions, the threshold for the number of votes required to pass a special resolution was decreased from 75% to two-thirds of the votes cast in person or by proxy at a meeting of shareholders. True Gold adopted new Articles on April 26, 2005 which were subsequently amended on February 25, 2013 and June 19, 2013. Effective February 25, 2013, True Gold changed its name to "True Gold Mining Inc."

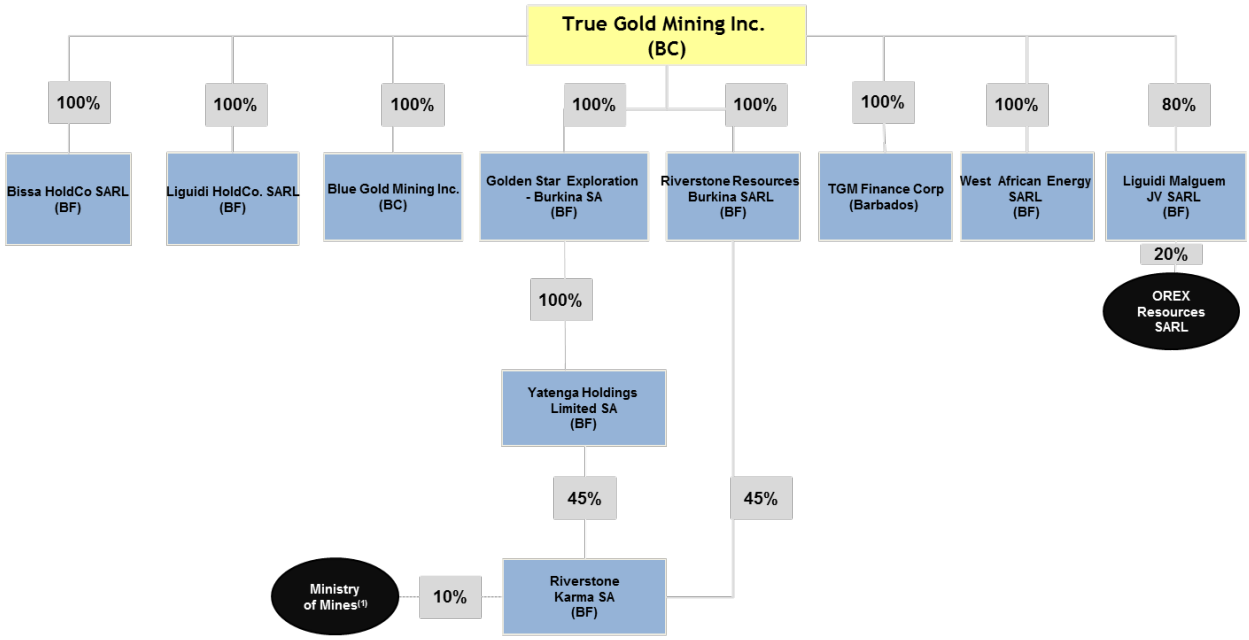
True Gold is a reporting issuer in each of the provinces and territories of Canada, except Québec, and files its continuous disclosure documents with the relevant Canadian securities regulatory authorities. Such documents are available on True Gold's profile on the SEDAR website at www.sedar.com.

The registered and records office of True Gold is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5, and its head office is located at Suite 1900, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

The Common Shares of True Gold are listed and posted for trading on the TSX-V under the symbol "TGM".

Intercorporate Relationships

True Gold has seven wholly-owned direct subsidiaries: Riverstone Resources Burkina SARL, Golden Star Exploration - Burkina S.A., West African Energy SARL, Liguidi HoldCo SARL, Bissa HoldCo SARL, Blue Gold Mining Inc. and TGM Finance; two wholly-owned indirect subsidiaries: Yatenga Holdings Limited SA and Karma Exploration SARL; and one indirect material subsidiary, Riverstone Karma SA (90%). All of these subsidiaries other than Blue Gold Mining Inc. (a British Columbia corporation) and TGM Finance (a Barbados corporation) were formed under the laws of Burkina Faso.



Recent Developments

Equipment Financing Facility

On January 11, 2016, True Gold entered into an equipment loan facility ("**Equipment Facility**") with Auramet International LLC ("**Auramet**") for US$10 million. The Equipment Facility gives True Gold flexibility to draw funds that can be used for non-project spending, including exploration.

The term of the Equipment Facility is from January 2016 to June 30, 2017, with an early repayment option, with the principal drawn under the Equipment Facility accruing interest at a rate of LIBOR plus 9.75%. In connection with the Equipment Facility, True Gold and Auramet entered into a gold purchase and sale contract (the "**Gold Sale Agreement**") whereby Auramet has the option to purchase all gold sales from the Karma mine (other than the gold production under the gold purchase and sale agreement among True Gold, Franco-Nevada (Barbados) Corporation, Sandstorm Gold Bank Limited and TGM Finance). Pursuant to the Gold Sale Agreement, the first 200,000 gold ounces sold by True Gold to Auramet will be at a US$5 per ounce discount to the spot gold price. The number of ounces at the fixed US$5 per ounce discount to the gold price will be prorated to the total amount of the US$10 million drawn. All amounts sold to Auramet after the initial 200,000 gold ounces will be sold at market price.

True Gold is on track to achieve first gold pour in Q1 2016 with commercial production to follow shortly thereafter.

Appointment of an Additional Director

On January 12, 2016, True Gold announced that Mr. Mark Tomek would replace Mr. Stephan Theron as Liberty Metals & Mining, LLC's appointee to the True Gold Board.

Consolidated Capitalization

There have not been any material changes in the share and loan capital of True Gold, on a consolidated basis, since the date of True Gold's most recently filed audited annual financial statements as at, and for the financial year ended December 31, 2015, other than the issuance of 33,000 True Gold Shares on the exercise of True Gold Options on March 15, 2016.

General Description of Securities

True Gold Shares

True Gold's authorized share capital consists of an unlimited number of common shares without par value, being the True Gold Shares.

The holders of the True Gold Shares are entitled to receive notice of and to attend all meetings of the shareholders of True Gold. Each True Gold Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the True Gold. The holders of the True Gold Shares, subject to the prior rights, if any, of the holders of any other class of shares of True Gold, are entitled to receive such dividends in any financial year as the True Gold Board may determine by resolution. In the event of a liquidation, dissolution or winding-up of True Gold, whether voluntary or involuntary, the holders of True Gold Shares are entitled, subject to the prior rights, if any, of the holders of any other class of shares of True Gold, to participate rateably in the remaining property and assets of the True Gold.

As at March 15, 2016, there were 398,874,228 True Gold Shares issued and outstanding.

True Gold Options

On June 15, 2015, shareholders of True Gold approved the True Gold Option Plan to replace True Gold's former "fixed number" option plan. Pursuant to the True Gold Option Plan, up to 10% of the issued and outstanding True Gold Shares, in combination with all security-based compensation arrangements of True Gold (including the True Gold RSU Plan and the True Gold DSU Plan), may be reserved for issuance pursuant to the True Gold Options granted or subject to the True Gold Option Plan.

As at March 15, 2016, there were 30,784,602 True Gold Options outstanding with a weighted average exercise price of $0.39 and expiry dates ranging from March 17, 2016 to December 30, 2020.

The True Gold Options are governed by the True Gold Option Plan and each vested True Gold Option is exercisable for one True Gold Share upon the payment of the exercise price. A copy of the True Gold Option Plan is appended to True Gold's management information circular dated May 8, 2015, which is available for review on True Gold's profile on the SEDAR website at www.sedar.com.

True Gold DSUs

The True Gold DSU Plan was adopted by the True Gold Board on May 12, 2014 and approved by shareholders on May 14, 2014. Participation in the True Gold DSU Plan is restricted to non-employee directors of True Gold. The maximum number of True Gold Shares available for issuance upon the vesting of True Gold DSUs under the True Gold DSU Plan and the True Gold RSU Plan, in the aggregate, cannot exceed 1,000,000 True Gold Shares, and in combination with all security-based compensation arrangements of True Gold (including the True Gold Option Plan and the True Gold RSU Plan) cannot exceed 10% of the issued and outstanding True Gold Shares.

As at March 15, 2016, there were 645,000 True Gold DSUs outstanding.

The True Gold DSUs are governed by the True Gold DSU Plan and each True Gold DSU entitles the holder thereof to receive, on a deferred payment basis, cash equal to the fair market value of the True Gold Shares or, at True Gold's option, a True Gold Share, on the vesting of the True Gold DSU. A copy of the True Gold DSU Plan is appended to True Gold's management information circular dated May 14, 2014, available for review on True Gold's profile on the SEDAR website at www.sedar.com.

True Gold RSUs

The True Gold RSU Plan was initially established by the True Gold Board on May 12, 2014 and approved by shareholders on May 14, 2014. Participation in the True Gold RSU Plan is restricted to employees (including directors who are also employees) and officers of True Gold. The maximum number of True Gold Shares available for issuance upon the vesting of True Gold RSUs under the True Gold RSU Plan and the True Gold DSU Plan, in the aggregate, is fixed at 1,000,000 True Gold Shares, and in combination with all security-based compensation arrangements of True Gold (including the True Gold Option Plan and the True Gold DSU Plan) cannot exceed 10% of the issued and outstanding True Gold Shares.

As at March 15, 2016, there were 270,000 True Gold RSUs outstanding.

The True Gold RSUs are governed by the True Gold RSU Plan and upon vesting, the True Gold RSUs will be, subject to the approval of the shareholders of True Gold and the TSX-V, converted on a one-for-one basis for freely tradable, non-restricted True Gold Shares. In the event True Gold is unable to obtain the required regulatory approvals, a cash amount equal to the fair market value of the True Gold Shares underlying the True Gold RSUs will be paid. A copy of the True Gold RSU Plan is appended to True Gold's management information circular dated May 14, 2014, available for review on True Gold's profile on the SEDAR website at www.sedar.com.

Trading Price and Volume

The True Gold Shares are listed and posted for trading on the TSX-V under the symbol "TGM". The following table sets forth the high and low trading prices and the aggregate volume of trading of the True Gold Shares on the TSX-V for the periods indicated.

Date	High (C$)	Low (C$)	Volume
March 2015	0.210	0.175	13,638,609
April 2015	0.215	0.185	9,341,108
May 2015	0.260	0.190	8,862,040
June 2015	0.250	0.205	8,098,942
July 2015	0.245	0.170	9,078,490
August 2015	0.205	0.170	5,442,315
September 2015	0.195	0.145	8,287,770
October 2015	0.255	0.160	6,725,785
November 2015	0.245	0.190	4,496,331
December 2015	0.250	0.200	4,260,522
January 2016	0.300	0.235	5,614,130
February 2016	0.395	0.285	17,950,075
March 1 to 15, 2016	0.520	0.375	43,149,280

The closing price of the True Gold Shares on the TSX-V on March 3, 2016, the day immediately before True Gold announced the Arrangement was C$0.395. On March 15, 2016, the closing price of the True Gold Shares on the TSX-V was C$0.455.

Prior Sales

The information set out below is in respect of the issuances by True Gold of True Gold Shares and True Gold Options, True Gold DSUs and True Gold RSUs for the twelve month period prior to the date of this Circular.

During the twelve month period prior to the date of this Circular, True Gold issued the True Gold Shares, True Gold Options, True Gold DSUs and True Gold RSUs listed in the table set forth below:

Date	Security	Exercise Price per Security[(1)] (C$)	Number of Securities
December 30, 2015	True Gold Options	0.23[(1)]	8,930,000
November 17, 2015	True Gold RSUs	N/A	100,000
November 16, 2015	True Gold Options	0.21[(1)]	1,455,000
July 9, 2015	True Gold Options	0.22[(1)]	400,000
June 19, 2015	True Gold Options	0.23[(1)]	6,475,000
June 19, 2015	True Gold RSUs	N/A	150,000
April 27, 2015	True Gold RSUs	N/A	200,000
March 15, 2016	True Gold Shares	0.40	33,000

(1) These are the exercise prices of the True Gold Options issued.

Risk Factors

In assessing the Arrangement, Endeavour Shareholders should carefully consider the risks described under the heading "*Risk Factors*" in True Gold's most recent annual information form, which are incorporated by

reference herein, together with the other information contained in, or incorporated by reference in, this Circular. Risk factors related to the business of True Gold will generally continue to apply following the completion of the Arrangement.

Additional risks and uncertainties, including those currently unknown, may also adversely affect the business of True Gold going forward. The Arrangement is also subject to certain risks, including those discussed under the heading "Risk Factors" in this Circular.

INFORMATION CONCERNING ENDEAVOUR

Overview

Endeavour is an intermediate gold mining company, which produced 517,948oz from five mines in West Africa for the year ended December 31, 2015. On February 29, 2016, Endeavour completed the sale of its non-core Youga mine in Burkina Faso for total cash consideration of US$20 million. Endeavour has the potential to add an additional 190,000oz per year by constructing the Houndé project in Burkina Faso, which obtained a mining permit on February 5, 2015. As of March 15, 2016, Endeavour's producing gold mining properties were comprised of the Agbaou and Ity mines in Côte d'Ivoire, the Nzema mine in Ghana and the Tabakoto mine in Mali. Endeavour owns a 55% interest in the Ity mine as a result of an acquisition that completed on November 27, 2015. Endeavour also has an extensive exploration portfolio in highly prospective regions of Burkina Faso, Côte d'Ivoire, Mali and Ghana with a land package totalling over 5,077km^2.

Endeavour was incorporated on July 25, 2002 under the laws of the Cayman Islands. Endeavour is governed by the Companies Law, and its registered office is located in George Town, Cayman Islands. Its executive offices are located in Monaco, with operational management currently transitioning from Accra, Ghana to Abidjan, Côte d'Ivoire. Mining operations will, in future, be managed from the operations head office in Abidjan, Côte d'Ivoire.

Endeavour is a reporting issuer or the equivalent in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and files its continuous disclosure documents with the relevant Canadian securities regulatory authorities. Such documents are available on Endeavour's profile on SEDAR at www.sedar.com.

The summary organizational chart illustrating Endeavour's material subsidiaries, together with the law of incorporation of each such company and the percentage of voting securities of each such company beneficially owned or over which control or direction is exercised by Endeavour is set out in Schedule C to this Circular.

Share Capital of Endeavour

For a description of Endeavour's share capital, see the section of this Circular entitled "*New Endeavour - Description of Share Capital*".

Price Range and Trading Volumes of Endeavour Shares

Endeavour Shares are listed and posted for trading on the TSX under the trading symbol "EDV" and trade on the Canadian ATS. The following tables set forth, for the periods indicated, the reported high, low and month-end closing trading prices and the aggregate volume of trading of the Endeavour Shares on the TSX and on ATS:

	High (C$)	Low (C$)	Close (C$)	TSX Volume	ATS Volume	Total Volume
March 2015	6.40	4.80	5.80	4,135,867	2,369,850	6,505,717
April 2015	6.50	5.90	6.30	1,870,642	1,126,332	2,996,974
May 2015	6.70	5.80	6.10	2,446,446	1,338,096	3,784,542
June 2015	6.40	5.75	6.20	1,492,040	1,032,561	2,524,601

	High (C$)	Low (C$)	Close (C$)	TSX Volume	ATS Volume	Total Volume
July 2015	6.30	4.35	5.10	2,049,251	1,519,019	3,568,270
August 2015	6.60	4.90	5.70	1,398,934	1,061,464	2,460,398
September 2015	6.30	5.30	5.50	1,467,039	1,372,672	2,839,711
October 2015	7.60	5.40	6.80	2,487,299	1,856,530	4,343,829
November 2015	6.80	5.70	6.30	1,403,746	834,873	2,238,619
December 2015	8.03	5.70	7.63	4,501,076	2,026,385	6,527,461
January 2016	9.00	6.83	8.56	3,797,702	1,213,079	5,010,781
February 2016	12.44	8.51	12.14	5,529,519	2,254,203	7,783,722
March 1 to 15, 2016	13.02	10.11	10.43	4,061,675	2,110,808	6,172,483

On March 3, 2016, the last full trading day on the TSX prior to the announcement that the Arrangement Agreement had been entered into, the closing price per Endeavour Share on the TSX was C$12.87. On March 15, 2016, the closing price of the Endeavour Shares on the TSX was C$10.43.

Prior Sales

The information set out below is in respect of the issuances by Endeavour of Endeavour Shares and Endeavour Options to purchase Endeavour Shares for the twelve month period before the date of this Circular.

During the 12-month period prior to the date of this Circular, excluding any Endeavour Shares issued upon exercise of Endeavour Options, Endeavour has not issued any Endeavour Shares other than 17,706,157 Endeavour Shares issued on November 27, 2015 in connection with Endeavour's purchase of La Mancha's 55% interest in the Ity mine from La Mancha.

During the 12-month period prior to the date of this Circular, Endeavour has issued the Endeavour Options to purchase Endeavour Shares listed in the table set forth below:

Date	Security	Exercise Price per Security (C$)	Number of Securities
August 4, 2015	Endeavour Options	5.20	60,774
March 11, 2016	Endeavour Options	10.94	346,790

Consolidated Capitalization

The following table sets forth Endeavour's consolidated capitalization as at the year ended December 31, 2015, the date of Endeavour's most recent financial statements, adjusted to reflect any material changes in the consolidated capitalization between December 31, 2015 and March 15, 2016 The table should be read in conjunction with the audited annual consolidated financial statements of Endeavour as at and for the year ended December 31, 2015 including the notes thereto, and management's discussion and analysis thereof and the other financial information contained in or incorporated by reference in this Circular.

	Endeavour As at December 31, 2015 (US$'000s)	Material Changes to Endeavour January 1, 2016 to March 15, 2016 (US$'000s)	As at March 15, 2016 Effect to the Material Changes (US$'000s)
Endeavour Share Capital	1,071,088	327	1,071,415
Other debt [(1)]	239,001	10,000	249,001

(1) Other debt does not include provisions for rehabilitation, lease obligations or accounts payable and accruals.

Risk Factors

There are a number of factors that could negatively affect Endeavour's business and the value of the Endeavour Shares. For information pertaining to the outlook and conditions currently known to Endeavour that could have a material impact on the financial condition, operations and business of Endeavour, shareholders should refer to the "*Risk Factors*" that are described in detail in Endeavour's annual information form dated March 21, 2016 and management's discussion and analysis for the financial year ended December 31, 2015, which are incorporated herein by reference.

Endeavour Shareholders should also carefully consider all of the information disclosed in this Circular and the documents incorporated by reference.

The risk factors that are identified in this Circular and the documents incorporated by reference are not exhaustive and other factors may arise in the future that are currently not foreseen by management of Endeavour that may present additional risks in the future.

Endeavour Documents Incorporated by Reference and Further Information

The following documents of Endeavour are specifically incorporated by reference into, and form an integral part of, this Circular:

- annual information form of Endeavour dated March 21, 2016 for the financial year ended December 31, 2015;
- audited consolidated financial statements of Endeavour, including the notes thereto, as at and for the financial years ended December 31, 2015 and 2014 together with the independent auditor's report thereon and the management's discussion and analysis relating thereto;
- management information circular of Endeavour dated May 6, 2015 prepared in connection with the annual general meeting of Endeavour Shareholders held on June 18, 2015;
- management information circular of Endeavour dated October 1, 2015 prepared in connection with a special meeting of Endeavour Shareholders held on November 5, 2015;
- material change report of Endeavour dated September 28, 2015, announcing the entering into of long-term strategic partnership agreement with La Mancha;

- material change report of Endeavour dated December 4, 2015, announcing closing of the purchase of the Ity mine from La Mancha, the consolidation of Endeavour Shares and Endeavour's request to the Australian Securities Exchange (the "**ASX**") for the delisting of Endeavour's CDIs from the ASX;

- material change report dated March 10, 2016, announcing the sale by Endeavour of its non-core Youga Mine to MNG Gold; and

- material change report dated March 10, 2016, announcing entering into the Arrangement Agreement.

All documents of the type referred to above (excluding confidential material change reports) and any business acquisition reports subsequently filed by Endeavour with any securities commission or similar regulatory authority in Canada on or after the date of this Circular and prior to the completion of the Arrangement in accordance with the terms of the Arrangement and the Arrangement Agreement will be deemed to be incorporated by reference into this Circular.

Any statement contained herein or in any document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein, or in any subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying statement or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute part of this Circular.

Information has been incorporated by reference in this Circular from documents filed with various securities regulatory authorities in Canada. Copies of the documents incorporated by reference in this Circular regarding Endeavour may be obtained by accessing Endeavour's profile on SEDAR at www.sedar.com or on request without charge from Endeavour by phone at +33 (0) 170 38 3650 or by email at eblanchard@endeavourmining.com.

Information contained in or otherwise accessed through Endeavour's website, www.endeavourmining.com, or any other website does not form part of this Circular.

NEW ENDEAVOUR

Overview

Successful completion of the Arrangement would solidify Endeavour as a mid-tier gold mining business and a leading gold producer in West Africa listed on the TSX, with the following attributes:

- A strengthened and diversified production base from five producing mines across four West African countries;
- Forecast 2016 production of 535,000 - 560,000 ounces of gold, excluding the Karma Project (which has a forecast gold production rate of 110,000 - 120,000 ounces per year);
- Proven and Probable reserves of 5.4 million ounces, and Measured and Indicated resources of 10.2 million ounces (see table on page 73 of the Circular);
- Pro-forma liquidity of over US$300 million, based on consolidated cash and revolving credit facility commitments as at December 31, 2015, proceeds from the sale of the Youga mine, and proceeds from the La Mancha Private Placement; and
- An enhanced capital markets profile with pro-forma market capitalisation of approximately C$1.08 billion (March 3, 2016 pre-Arrangement announcement date basis), which should allow Endeavour to benefit from improved market visibility and increased trading liquidity.

On completion of the Arrangement, Endeavour will continue to be a company existing under the laws of the Cayman Islands and the former True Gold Shareholders will be shareholders of New Endeavour. New Endeavour will retain the Endeavour Mining Corporation name and will have its registered office located in the Cayman Islands and its executive offices in Monaco, with operational management currently transitioning from Accra, Ghana to Abidjan, Côte d'Ivoire. Mining operations will, in future, be managed from the operations head office in Abidjan, Côte d'Ivoire. Endeavour Shares will continue to be listed on the TSX and quoted in the United States on OTCQX International.

New Endeavour's operating assets will be the Agbaou and Ity mines in the Côte d'Ivoire, the Nzema mine in Ghana, the Tabakoto mine in Mali and the Karma Project in Burkina Faso. In 2016, New Endeavour expects to produce between 535,000 and 560,000 ounces of gold from Agbaou, Ity, Nzema and Tabakoto. The acquisition of the Karma Project under the Arrangement is expected to increase New Endeavour's forecast gold production rate by approximately 110,000 to 120,000 ounces per year at a low AISC of approximately US$700/oz in years 1 to 5, with a mine life of 8.5 years based on current reserves.

The assets and operations of Endeavour and True Gold at the Effective Time will become the assets and operations of New Endeavour. Descriptions of the assets and operations of Endeavour and True Gold can be found in this Circular beginning on pages 65 and 58, respectively, and in the documents incorporated by reference herein.

New Endeavour will benefit from consolidated corporate administrative and group finance functions, with the True Gold corporate head office expected to close shortly following completion of the Arrangement. The existing Endeavour executive management team and Endeavour Board will remain in place upon completion of the Arrangement.

True Gold currently has employees in its Vancouver corporate office, with the balance of staff who support True Gold's administrative, corporate and operational functions either being sourced externally as consultants or drawn from Oxygen Capital Corp. who have provided various administrative and executive functions and support staff under their agreement with True Gold to provide such services. It is expected that over a normal transitional period of time (which is to be determined) that Oxygen Capital Corp. will discontinue its association with the administrative, corporate and operational functions of True Gold.

Summary Organization Chart

A post-Arrangement summary organizational chart for New Endeavour is set out in Schedule D to this Circular, which illustrates New Endeavour's material subsidiaries, together with the place of incorporation of each such company and the percentage of voting securities of each such company beneficially owned or over which control or direction will be exercised by New Endeavour, assuming completion of the Arrangement.

Endeavour Resources and Reserves

The reserves and resources of Endeavour as at December 31, 2015, are set out in the following table.

Mineral Reserves and Resources Statement

As at December 31, 2015

Resources shown inclusive of Reserves	On a 100% basis			On an attributable basis		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
Nzema Mine (90% owned)[1]						
Proven Reserves	3.2	2.25	230	2.9	2.25	207
Probable Reserves	1.5	2.57	125	1.4	2.57	113
P&P Reserves	**4.7**	**2.35**	**356**	**4.2**	**2.35**	**320**
Measured Resource	22.4	1.36	976	20.2	1.36	878
Indicated Resources	12.2	1.31	514	11.0	1.31	463
M&I Resources	**34.6**	**1.34**	**1,490**	**31.1**	**1.34**	**1,341**
Inferred Resources	5.9	1.28	244	5.3	1.28	219
Agbaou Mine (85% owned)[2]						
Proven Reserves	1.9	2.53	156	1.6	2.53	132
Probable Reserves	11.3	2.40	871	9.6	2.40	741
P&P Reserves	**13.2**	**2.42**	**1,027**	**11.2**	**2.42**	**873**
Measured Resource	1.9	2.67	166	1.6	2.67	141
Indicated Resources	12.5	2.53	1,014	10.6	2.53	862
M&I Resources	**14.4**	**2.54**	**1,180**	**12.3**	**2.54**	**1,003**
Inferred Resources	1.2	1.71	65	1.0	1.71	56
Tabakoto Mine (80-90% owned)[3]						
Proven Reserves	2.3	3.19	235	1.9	3.18	190
Probable Reserves	4.2	3.68	491	4.9	2.63	415
P&P Reserves	**6.4**	**3.50**	**725**	**5.4**	**3.50**	**603**
Measured Resource	6.3	2.86	575	5.1	2.85	463
Indicated Resources	12.3	3.22	1,270	10.5	3.17	1,068
M&I Resources	**18.5**	**3.09**	**1,844**	**15.5**	**3.07**	**1,531**
Inferred Resources	9.0	3.55	1,023	7.3	3.52	826
Houndé Project (90% owned)[4]						
Proven Reserves	3.7	2.48	296	3.3	2.48	266
Probable Reserves	26.9	2.06	1,779	24.2	2.06	1,601
P&P Reserves	**30.6**	**2.11**	**2,075**	**27.5**	**2.11**	**1,867**
Measured Resource	3.7	2.57	305	3.3	2.57	274
Indicated Resources	34.2	2.04	2,247	30.8	2.04	2,022
M&I Resources	**37.9**	**2.09**	**2,551**	**34.1**	**2.09**	**2,296**
Inferred Resources	3.2	2.62	274	2.9	2.62	246
Ity Mine & CIL Project (55% owned)[5]						
Proven Reserves	-	-	-	-	-	-
Probable Reserves	30.4	1.65	1,613	16.7	1.65	887
P&P Reserves	**30.4**	**1.65**	**1,613**	**16.7**	**1.65**	**887**
Measured Resource	27.3	1.35	1,190	15.0	1.35	655
Indicated Resources	34.1	1.75	1,916	18.7	1.75	1,054
M&I Resources	**61.4**	**1.57**	**3,106**	**33.8**	**1.57**	**1,708**
Inferred Resources	14.1	1.52	687	7.7	1.52	378
Total - Endeavour Mining						
Proven Reserves	11.1	2.57	916	9.7	2.56	796
Probable Reserves	74.2	2.04	4,879	56.8	2.06	3,757
P&P Reserves	**85.3**	**2.11**	**5,795**	**65.1**	**2.17**	**4,550**
Measured Resource	61.6	1.62	3,211	45.2	1.66	2,411
Indicated Resources	105.3	2.06	6,960	81.6	2.08	5,468
M&I Resources	**166.9**	**1.90**	**10,172**	**126.8**	**1.93**	**7,879**
Inferred Resources	33.4	2.13	2,293	24.3	2.21	1,726

Notes to Mineral Reserves and Resources:

1 - **Nzema -** Mineral resource update prepared by Eric Acheampong (Endeavour) as depletion, effective date December 31, 2015, of mineral resource prepared by N.J. Johnson MAIG (MPR Geological Consultants Pty Ltd.), Qualified Person for the mineral resources; M. Alyoshin MAusIMM CP Min (Endeavour) is Qualified Person for Nzema mineral reserves. Most recent filed report is "Technical Report and Mineral Resource and Reserve Update for the Nzema Gold Mine, Ghana, West Africa", effective date December 31, 2012, prepared by N.J. Johnson MAIG (MPR Geological Consultants Pty Ltd.), Q. De Klerk FAusIMM (Cube Consulting Pty Ltd.) and W.J.A. Yeo MAIG (Endeavour), A.A. Roux Pr.Sci.Nat. (Endeavour).

2 - **Agbaou -** Mineral resource updated from NI 43-101 technical report titled "Technical Report Mineral Resource and Reserve Update for the Agbaou Gold Mine Côte d'Ivoire West Africa" effective December 31, 2014. Update mineral resources estimates effective December 31, 2015 prepared by Kevin Harris (CPG), Qualified Person not independent of Endeavour. Reserve Update for the Agbaou Gold Mine, Côte d'Ivoire, West Africa, prepared by Michael Alyoshin MAusIMM CP (Mining), Qualified Person not independent of Endeavour.

3 - **Tabakoto -** The breakdown for underground and open pit reserves is as follows:

	Underground Reserves			Open Pit Reserves		
(on a 100% basis)	Tonnage (kt)	Grade (Au g/t)	Content (Au koz)	Tonnage (kt)	Grade (Au g/t)	Content (Au koz)
Proven Reserves	1,753	3.46	195	538	2.29	40
Probable Reserves	1,958	3.86	243	2,195	3.51	248
P&P Reserves	3,711	3.67	438	2,733	3.27	287

K. Harris CPG (Endeavour) is the Qualified Person for Tabakoto and Kofi B, ALinear and Betea mineral resources; E. Puritch P.Eng. (P&E Mining Consultants Inc.) is the Qualified Person for Kofi A, Kofi C and Blanaid mineral resources; M. Alyoshin MAusIMM CP Min (Endeavour) is the Qualified Person for open pit mineral reserves; V. Duke ECSA (Sound Mining) is the Qualified Person for underground mineral reserves. Most recent filed report is "Technical Report, Mineral Resource and Mineral Reserve Update for the Tabakoto Gold Mine, Mali, West Africa" effective date December 31, 2015, prepared by G. de Hert EurGeol (Endeavour); K. Harris CPG (Endeavour); M. Alyoshin MAusIMM CP Min (Endeavour), V. Duke ECSA (Sound Mining), A.A. Roux Pr.Sci.Nat.(Endeavour), E. Puritch, P.Eng (P&E Mining Consultants Inc.) and Antoine Yassa, P.Geo (P&E Mining Consultants Inc.).

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

5 - **Ity -** The breakdown for the heap leach operation and CIL project reserves is as follows:

	Heap Leach Reserves					CIL Reserves
(on a 100% basis)	Tonnage (kt)	Grade (Au g/t)	Content (Au koz)	Tonnage (kt)	Grade (Au g/t)	Content (Au koz)
Proven Reserves	-	-	-	-	-	-
Probable Reserves	2,392	2.39	184	27,967	1.59	1,429
P&P Reserves	2,392	2.39	184	27,967	1.59	1,429

K. Body Pr.Sci.Nat. (Coffey) is the independent Qualified Persons for the Aires, Teckraie, VersK. Body Pr.Sci.Nat. (Coffey) is the independent Qualified Person for the Aires, Teckraie, Verse Ouest, Daapleu, ZiaNE and Mont Ity mineral resources and R. Bosc Eur.Geol. (Arethuse) is the independent Qualified Person for the Walter and Gbeitouo mineral resources. M. Alyoshin MAusIMM CP Min (Endeavour) is a Qualified Person for the Ity Heap Leach mineral reserves and J. Baker P.Eng. (SNC-Lavalin) is a Qualified Person for the CIL mineral reserves. Most recent filed report is "Technical Report for the Ity Gold Mine, Côte d'Ivoire, West Africa" effective date July 31, 2015, prepared by K. Body Pr.Sci.Nat. (Coffey), M. Mudau Pr.Sci.Nat. (Coffey), C. Cunningham Pr.Eng. (Turnberry), R. Bosc Eur.Geol. (Arethuse), P. Perez P.Eng. (SGS), J. Baker P.Eng. (SNC-Lavalin), D. Gautier P.Eng. (SNC-Lavalin), P. Larochelle P.Eng. (SNC-Lavalin) and H. Sangam P.Eng. (SNC-Lavalin).

The following notes apply to the tables:

- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
- Tonnages are rounded to the nearest 100,000 tonnes; gold grades are rounded to two decimal place; ounces are rounded to the nearest 1,000 ounces. Rounding may result in apparent summation differences.
- Tonnes and grade measurements are in metric units; contained gold is in troy ounces.

Pro Forma New Endeavour Resources and Reserves

The reserves and resources of New Endeavour, at the various effective dates, are set out in the following tables.

New Endeavour Pro Forma Mineral Reserves and Resources

Pro Forma Mineral Reserves and Resources Statement

As at December 31, 2015

Resources shown inclusive of Reserves	On a 100% basis			On an attributable basis		
	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
Total - Endeavour Mining[1]						
Proven Reserves	11.1	2.57	916	9.7	2.56	796
Probable Reserves	74.2	2.04	4,879	56.8	2.06	3,757
P&P Reserves	**85.3**	**2.11**	**5,795**	**65.1**	**2.17**	**4,550**
Measured Resource	61.6	1.62	3,211	45.2	1.66	2,411
Indicated Resources	105.3	2.06	6,960	81.6	2.08	5,468
M&I Resources	**166.9**	**1.90**	**10,172**	**126.8**	**1.93**	**7,879**
Inferred Resources	33.4	2.13	2,293	24.3	2.21	1,726
Karma Mine (90% owned)[2]						
Proven Reserves						
Probable Reserves	33.2	0.89	949	29.9	0.89	854
P&P Reserves	**33.2**	**0.89**	**949**	**29.9**	**0.89**	**854**
Measured Resource						
Indicated Resources	75.2	1.08	2,621	67.7	1.08	2,359
M&I Resources	**75.2**	**1.08**	**2,621**	**67.7**	**1.08**	**2,359**
Inferred Resources	65.3	1.13	2,362	58.8	1.13	2,126
Pro Forma - Endeavour Mining & True Gold						
Proven Reserves	11.1	2.57	916	9.7	2.56	796
Probable Reserves	107.4	1.69	5,828	86.7	1.65	4,611
P&P Reserves	**118.5**	**1.77**	**6,744**	**95.0**	**1.77**	**5,405**
Measured Resource	61.6	1.62	3,211	45.2	1.66	2,411
Indicated Resources	180.5	1.65	9,581	149.3	1.63	7,827
M&I Resources	**242.1**	**1.64**	**12,793**	**194.5**	**1.64**	**10,238**
Inferred Resources	98.7	1.47	4,655	83.1	1.44	3,852

Notes to Mineral Reserves and Resources:

1- Please refer to www.endeavourmining.com and the above disclosure for Endeavour's Notes to Mineral Reserves and Resources.

2- **Karma**

Mineral Reserves are that portion of the mineral resource that has been identified as mineable within a design pit and incorporates criteria such as mining recoveries and waste dilution. The Mineral Reserves are reported on the basis of parameters and assumptions defined in True Gold's Feasibility Study, which is published on SEDAR at www.sedar.com. The Feasibility Study is based on an open-pit operation averaging 97,000 ounces of gold per year over 8.5 years and all-in sustaining cash costs of $720/oz gold, at a US$1250/oz gold price. Cut-off grades (COG) vary by pit and material type as shown in the Feasibility Study.

Mineral Resource estimates were based on a gold price of US$1,557 per ounce, a 90%, 80% and 85% respective process recoveries for oxide, transition and sulphide; oxide mining costs of US$1.61/tonne, US$1.94 per tonne for transition and US$2.05 for sulphide ; process costs of US$7.25/tonne for oxide and transition and US$19 per tonne for sulphide; and General & Administrative costs of US$1.35 per tonne were used to determine the respective 0.20, 0.22 and 0.50 oxide, transition and sulphide open pit cut-off grades. Mineral resources are reported at cut-off grades of 0.20 g/t Au for oxide material in all deposits, 0.22 g/t Au for transition material in all deposits and the sulphide material at Rambo and Nami, and at 0.5 g/t Au for the remaining sulphide material at GG1, GG2, Kao and North Kao. Mineral resources are inclusive of mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred mineral resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category. The mineral resources reported here was estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council. Material within optimized pit shells have engineering mining aspects applied to the global mineral inventory.

For more information on Karma Resources and Reserves, please refer to NI 43-101 technical report entitled "Updated Resource Estimate and Feasibility Study on the Karma Gold Project, Burkina Faso, West Africa", dated December 17, 2013 and filed on SEDAR on January 27, 2014 at www.sedar.com. For more information on the North Kao Inferred Resource, please see True Gold's news release dated March 13, 2014, filed on SEDAR at www.sedar.com

Scott Heffernan, M.Sc., P. Geo, is True Gold's Vice President Exploration and a Qualified Person within the meaning of NI 43-101. Mr. Heffernan has reviewed and verified that the technical information concerning the Karma Project contained herein is accurate and approves of the written disclosure of same.

Directors and Officers

Upon completion of the Arrangement, the current directors and officers of Endeavour will remain the directors and officers of New Endeavour.

Description of Share Capital

The share capital of Endeavour will remain unchanged as a result of the completion of the Arrangement, other than for the issuance of the New Endeavour Shares in connection with the Arrangement and the issuance of Endeavour Shares to La Mancha pursuant to the La Mancha Private Placement. Endeavour Shares will also be reserved for issuance to former True Gold Optionholders who will receive Replacement Options under the Arrangement in respect of their True Gold Options which were not exercised prior to the Effective Time.

The authorized share capital of Endeavour is US$20,000,000 divided into 100,000,000 Endeavour Shares, and 100,000,000 undesignated shares with a par value of US$0.10 each, none of which undesignated shares have been issued. Following completion of the Arrangement, and provided that the Share Capital Resolution is approved by Endeavour Shareholders at the Meeting, the Endeavour Board intends to increase the authorized share capital of Endeavour to US$30,000,000 divided into 200,000,000 voting ordinary shares and 100,000,000 undesignated shares, each of a nominal or par value of US$0.10.

As at the close of business on March 15, 2016, 59,105,992 Endeavour Shares were issued and outstanding.

See "*New Endeavour – Selected Endeavour Unaudited Pro Forma Financial Information – Fully-Diluted Share Capital*" for a table that describes and summarizes the expected share capital of New Endeavour following completion of the Arrangement.

Following the Arrangement, Endeavour Shareholders will continue to hold their existing Endeavour Shares. Endeavour expects that an aggregate of up to approximately 18,945,248 New Endeavour Shares will be issued in respect of the True Gold Shares outstanding as at March 15, 2016, representing 32.05% of the 59,105,992 Endeavour Shares outstanding as at March 15, 2016, on a non-diluted basis. Additionally, in connection with the La Mancha Private Placement, and assuming receipt of the Disinterested Shareholder Approval, 7,546,775 Endeavour Shares will be issued to La Mancha within three business days of the completion of the Arrangement. In connection with the Arrangement, Endeavour is seeking approval, through the Arrangement Resolution, for the issuance of up to 18,945,248 New Endeavour Shares, representing approximately 32.05% of the Endeavour Shares issued and outstanding as of March 15, 2016, to former True Gold Shareholders and for reservation and issuance in connection with the exercise of Replacement Options issued to former True Gold Optionholders.

As a result of the Arrangement and the La Mancha Private Placement, the ownership and voting interests of the Endeavour Shareholders, other than La Mancha, in New Endeavour will be diluted, relative to their current proportional ownership and voting interest in Endeavour.

Ordinary Shares

The Endeavour Shares confer upon the holders thereof the right to receive notice of, to attend and to vote at, general meetings of Endeavour. The Endeavour Shares are transferable by their holders subject to compliance with the provisions of the articles of association of Endeavour in relation to transfers. The Endeavour Shares confer upon the holders thereof rights in a winding-up or repayment of capital and the right to participate in the profits or assets of Endeavour in accordance with its articles of association.

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

Undesignated Shares

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

Exchangeable Shares

On October 18, 2012, Endeavour completed its acquisition of Avion, resulting in Endeavour acquiring all of the outstanding voting shares of Avion. Pursuant to the terms of the acquisition, in lieu of receiving Endeavour Shares of Endeavour for their Avion shares, eligible Avion shareholders were entitled to elect to receive Exchangeable Shares. Pursuant to the recent 10:1 consolidation of Endeavour Shares, each Exchangeable Share is exchangeable or redeemable for one-tenth of an Endeavour Shares in accordance with its terms and each Exchangeable Share carries, to the extent practicable, economic and voting rights

equivalent to one-tenth of an Endeavour Share. As of the Record Date, 410,941 Exchangeable Shares were outstanding, which are exchangeable or redeemable for 41,094 Endeavour Shares. The underlying Endeavour Shares for which outstanding Exchangeable Shares may be exchanged have been issued by Endeavour and are held by a wholly-owned subsidiary of Endeavour. The Arrangement is not expected to have an effect on the rights of the holders of Exchangeable Shares.

Description of Endeavour Options

Endeavour Option Plan

Endeavour has established the Endeavour Option Plan whereby the Endeavour Board may from time to time grant Endeavour Options to employees, officers, directors, management company employees or consultants, and registered charities as defined under the Tax Act. Under the Endeavour Option Plan, the maximum term of any Endeavour Option is ten years and the exercise price of an Endeavour Option cannot be less than the previous day's closing price and the volume weighted average trading price of the Endeavour Shares traded on the TSX for the five trading days immediately preceding the grant date. As of March 15, 2016 there were options to acquire 2,906,225 Endeavour Shares outstanding under the Endeavour Option Plan with exercise prices varying from C$5.20 – C$449.57 and expiry dates ranging from May 1, 2016 – March 11, 2021.

Replacement Options

Under the Arrangement, the True Gold Options will also be exchanged on the basis of the Exchange Ratio. Each True Gold Option that has not been exercised prior to the Effective Date will be exchanged for a Replacement Option of Endeavour entitling the former holder of such True Gold Option to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at a modified exercise price applying the Exchange Ratio of 0.044 to the original exercise price of such True Gold Option. Each Replacement Option will be exercisable for a period of: (i) 180 days following the Effective Date; or (ii) 12 months following the Effective Date for certain True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreements with True Gold.

Selected New Endeavour Unaudited Pro Forma Financial Information

The selected unaudited pro forma condensed consolidated financial information set forth below has been extracted from and should be read in conjunction with the unaudited pro forma condensed consolidated financial statements of New Endeavour and the accompanying notes thereto attached as Schedule B to this Circular. The unaudited pro forma condensed consolidated statement of financial position as at December 31, 2015 has been prepared from the audited consolidated statement of financial position of Endeavour as at December 31, 2015 and the audited consolidated statement of financial position of True Gold as at December 31, 2015 and gives pro forma effect to the successful completion of the Arrangement as if the Arrangement occurred on December 31, 2015. The unaudited pro forma condensed consolidated statement of earnings for the year ended December 31, 2015 has been prepared from the audited statement of comprehensive earnings of Endeavour for the year ended December 31, 2015 and the audited consolidated statement of comprehensive loss of True Gold for the year ended December 31, 2015 and gives pro forma effect to the successful completion of the Arrangement as if the Arrangement occurred on January 1, 2015.

The summary unaudited pro forma condensed consolidated financial information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon consummation of the Arrangement will differ from the pro forma information presented below. No attempt has been made to

calculate or estimate potential synergies between Endeavour and True Gold. The selected unaudited pro forma condensed consolidated financial information set forth below is extracted from and should be read in conjunction with the unaudited pro forma condensed consolidated financial statements of New Endeavour and the accompanying notes included in Schedule B to this Circular.

Selected Pro Forma Income Statement and Balance Sheet Information

Income statement information (US$'000s)	**Year ended December 31, 2015**
Revenue	601,376
Earnings from mining operations	106,827
Net profit	20,796
Per Endeavour share (US$/share)	
Basic EPS	$0.06
Diluted EPS	$0.06

Balance sheet information (US$'000s)	**As at December 31, 2015**
Cash and cash equivalents (includes restricted cash)	181,081
Total assets	1,344,599
Total debt, including derivative and warrant liabilities and borrowings	244,464
Total liabilities	504,313
Non-controlling interest	52,430
Shareholder's equity	840,286

Fully-Diluted Share Capital

The following table describes and summarizes the expected share capital of New Endeavour following completion of the Arrangement, on a fully-diluted basis, based on the number of True Gold and Endeavour securities outstanding as at March 15, 2016 (unless otherwise stated) and assuming completion of the La Mancha Private Placement:

	Number of New Endeavour Shares
Current Endeavour Shares issued and outstanding	59,105,992
New Endeavour Shares Issued in respect of outstanding True Gold Shares	17,590,726[(1)]
New Endeavour Shares Issued in respect of La Mancha Private Placement	7,546,775
Total (Non-Diluted)	**84,243,493**
Reserved for issuance on exercise of Endeavour Options	2,906,225
Reserved for issuance on exercise of True Gold Options	1,354,522
Total (Fully-Diluted)	**88,504,240**

(1) Includes 40,260 New Endeavour Shares issuable under the Arrangement in respect of the 270,000 True Gold DSUs and 645,000 True Gold RSUs outstanding as of the date of this Circular.

Following the Arrangement, Endeavour Shareholders will continue to hold their existing Endeavour Shares. Endeavour expects that an aggregate of up to approximately 17,590,726 New Endeavour Shares will be issued in respect of the True Gold Shares, True Gold DSUs and True Gold RSUs outstanding as at March 15, 2016, representing 29.76% of the 59,105,992 Endeavour Shares outstanding as at March 15, 2016, on a non-diluted basis. Endeavour also expects that an aggregate of up to approximately 1,354,522 New Endeavour Shares will be issued or issuable in respect of the Replacement Options issued to former True Gold Optionholders in respect of the True Gold Options outstanding as at March 15, 2016, representing 2.18% of the 62,012,217 Endeavour Shares outstanding as at March 15, 2016, on a fully-diluted basis. As a result, Endeavour is seeking approval for the issuance of up to 18,945,248 New Endeavour Shares in connection with the Arrangement, representing approximately 32.05% of the 59,105,992 Endeavour Shares outstanding as at March 15, 2016, on a non-diluted basis. While a total of 18,945,248 New Endeavour Shares will be issued or reserved for issuance under the Arrangement in respect of True Gold Shares and True Gold Options outstanding at the Effective Time, the split between the 17,590,726 New Endeavour Shares that will be issued to True Gold Shareholders and the 1,354,522 New Endeavour Shares that will be reserved for issuance in respect of the Replacement Options is a figure that will continue to change between the date of this Circular and the completion of the Arrangement as and if True Gold Optionholders exercise their True Gold Options for True Gold Shares.

Post-Arrangement Shareholdings and Principal Shareholders

Based on the Endeavour Shares, Endeavour Options, True Gold Shares, True Gold Options, True Gold DSUs and True Gold RSUs outstanding as of March 15, 2016, upon completion of the Arrangement and before completion of the La Mancha Private Placement, New Endeavour is expected to have outstanding approximately 76,696,718 Endeavour Shares, Endeavour Options to acquire 2,906,225 Endeavour Shares and Replacement Options to acquire 1,354,522 Endeavour Shares See "*The Arrangement – The Arrangement*" for further details.

To the knowledge of the directors and executive officers of Endeavour, following completion of the Arrangement and the La Mancha Private Placement, there will be no person or company that beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of New Endeavour carrying 10% or more of the voting rights attached to any class of voting securities of New Endeavour, except for La Mancha, who will hold, directly and indirectly, or exercise control over approximately 25,252,932 New Endeavour Shares, representing approximately 30% of the issued and outstanding New Endeavour Shares following completion of the Arrangement and the La Mancha Private Placement.

Consolidated Capitalization

The following table sets forth the pro forma consolidated capitalization of New Endeavour as at March 15, 2016, compiled from consolidated capitalization tables of Endeavour and True Gold as at December 31, 2015, giving effect to the Arrangement as if it had occurred as of December 31, 2015 and updated to reflect any change in consolidated capitalization of either Endeavour or True Gold between January 1, 2016 and March 15, 2016.

	Endeavour as at December 31, 2015	True Gold as at December 31, 2015	Endeavour Value of Shares Issued under the Arrangement as at December 31, 2015[1]	Material Changes to True Gold January 1 to March 15, 2016	Material Changes to Endeavour January 1 to March 15, 2016	As at March 15, 2016 After Giving Effect to the Acquisition of True Gold
Endeavour Shares[2]	59,020,309	398,841,229	25,137,501	-	85,683	84,242,041
Endeavour Share Capital (US$'000s)	1,071,088	120,896	236,382	-	327	1,307,797[3]
Other debt[4] (US$'000s)	239,001	-	-	20,500	10,000	269,501

(1) Numbers provided in the capitalization table are given as of March 15, 2016, while the numbers in the pro forma condensed consolidated financial statements of New Endeavour attached as Schedule B to this Circular are given as of March 3, 2016, the date of the Arrangement Agreement. Between March 3 and March 15, 2016, an additional 33,000 True Gold Options were exercised to acquire 33,000 additional True Gold Shares.
(2) Excluding 2,578,885 Endeavour Shares issuable pursuant to outstanding Endeavour Options.
(3) True Gold share capital of US$120,896 is eliminated on consolidation.
(4) Other debt comprises the revolving credit facility and lease obligations.

Conflicts of Interest

There are no potential material conflicts of interest between New Endeavour and any proposed director, officer or promoter of New Endeavour, except as otherwise disclosed in this Circular. Certain directors and officers of Endeavour are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Endeavour, True Gold or New Endeavour. Situations may arise in connection with potential acquisitions in investments where the other interest of these directors and officers may conflict with the interests of the companies. Directors and officers with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

Indebtedness of Directors and Officers

None of the proposed directors or officers of New Endeavour, who are the current directors and officers of Endeavour, are expected to be indebted to New Endeavour on completion of the Arrangement. None of the directors or officers of True Gold or Endeavour have, at any time during their most recently completed fiscal years or since then, been indebted to True Gold or Endeavour.

Auditors

The auditors of New Endeavour following completion of the Arrangement will be Deloitte LLP.

Registrar and Transfer Agent

The registrar and transfer agent of New Endeavour following completion of the Arrangement will be Computershare Investor Services Inc., at its offices in Vancouver and Toronto, Canada.

Legal Proceedings

There are no material legal proceedings which will involve New Endeavour or any of its subsidiaries, or of which its properties are the subject matter as of the date of this Circular.

RISK FACTORS

Endeavour Shareholders should carefully consider the following risk factors related to the Arrangement. In addition to the risks set out in the documents incorporated by reference in this Circular, the proposed combination of Endeavour and True Gold is subject to certain risks, including the following:

Risks Relating to the Arrangement

Failure to complete the Arrangement could negatively impact the market price of Endeavour Shares and future business and financial results.

The completion of the Arrangement is conditional upon the satisfaction or, where applicable, waiver of a number of conditions, including, Endeavour Shareholder Approval, True Gold Securityholder Approval, obtaining the Final Order, and satisfaction of governmental or regulatory conditions (including TSX and TSX-V approval). There can be no certainty, nor can Endeavour provide any assurance, that these conditions will be satisfied or, if satisfied, that they will be satisfied on acceptable terms.

If the Arrangement is not completed for any reason, Endeavour's ongoing business and financial results may be adversely affected. In addition, if the Arrangement is not completed, Endeavour will be subject to a number of additional risks, including the following:

- Under the terms of the Arrangement Agreement, in certain circumstances, if the Arrangement is not completed by reason of certain circumstances attributable to Endeavour, Endeavour will be required to pay a break-fee of C$4.5 million to True Gold;

- The price of the Endeavour Shares may decline to the extent that the current market price of the Endeavour Shares reflect a market assumption that the Arrangement will be completed and that the related benefits will be realized, or as a result of the market's perceptions that the Arrangement was not consummated due to an adverse change in Endeavour's business or financial condition;

- TGM Finance will continue to be liable to repay the Convertible Loan to Endeavour on the repayment dates agreed in the Convertible Loan Agreement. Although Endeavour may elect to convert the principal and interest amounts of the Convertible Loan for True Gold Shares under the circumstances permitted in the Convertible Loan Agreement, there may be reasons why Endeavour elects not to do so. Endeavour Gold may continue to be a creditor of TGM Finance and there can be no certainty that TGM Finance (or True Gold as guarantor) will have the financial capacity to repay the Convertible Loan when due, or at all. If Endeavour does elect to exercise the conversion right then it will become a shareholder of True Gold, and the original value of the Convertible Loan will be subject to fluctuations associated with True Gold's share price from time to time.

Whether or not the Arrangement is completed, the pending Arrangement could adversely affect Endeavour's operations because matters relating to the Arrangement require substantial commitments of time and resources by Endeavour's management and employees which could otherwise have been devoted to other opportunities that may have been beneficial to Endeavour.

Endeavour cannot guarantee when, or whether, the Arrangement will be completed, that there will not be a delay in the completion of the Arrangement or that all or any of the anticipated benefits of the Arrangement will be obtained. If the Arrangement is not completed or is delayed, Endeavour may experience the risks discussed above which may adversely affect Endeavour's business, financial results and share price.

The Arrangement is subject to satisfaction or waiver of a number of conditions.

The completion of the Arrangement is conditional upon the satisfaction or, where applicable, waiver of a number of conditions, including, Endeavour Shareholder Approval, True Gold Securityholder Approval, obtaining the Final Order, and satisfaction of governmental or regulatory conditions (including TSX and TSX-V approval). There can be no certainty, nor can Endeavour provide any assurance, that these conditions will be satisfied or, if satisfied, that they will be satisfied on acceptable terms. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in any government or regulatory approvals could have an adverse effect on the business or financial condition of Endeavour. In addition, if for any reason the conditions to the Arrangement are not satisfied or waived and the Arrangement is not completed, the market price of Endeavour Shares may be adversely affected.

The issuance of a significant number of Endeavour Shares and resulting "market overhang" could adversely affect the market price of Endeavour Shares after completion of the Arrangement.

On completion of the Arrangement, a significant number of additional Endeavour Shares will be available for trading in the public market. The increase in the number of Endeavour Shares may lead to sales of such Endeavour Shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Endeavour Shares. The potential that an Endeavour Shareholder may sell its Endeavour Shares in the public market (commonly referred to as "market overhang"), as well as any actual sales of Endeavour Shares in the public market, could adversely affect the market price of the Endeavour Shares.

The integration of Endeavour and True Gold may not occur as planned.

The Arrangement Agreement has been entered into with the expectation that its successful completion will result in increased gold production and an enhanced platform for growth. These anticipated benefits will depend in part on whether Endeavour and True Gold's operations can be integrated in an efficient and effective manner under New Endeavour. The integration of the two companies will present challenges to management, including the integration of systems and personnel of the two companies, and special risks, including possible unanticipated liabilities and unanticipated costs. As a result of these factors, it is possible that the cost reductions and synergies expected from the Arrangement will not be realized by New Endeavour. In addition, such synergies assume certain realized long-term metals and consumable commodities prices and foreign exchange rates. If actual prices are below such assumed prices, the realization of potential synergies could be adversely affected.

Public Disclosure of True Gold may not be fully in compliance with securities legislation.

Unless otherwise indicated, all information regarding True Gold contained in this Circular, including all True Gold financial information and all pro forma financial information reflecting the pro forma effects of the

acquisition of True Gold by Endeavour pursuant to the Arrangement, has been taken from or is based upon publicly available documents, records and information or other public sources. Although Endeavour has no knowledge that would indicate that any statements contained in this Circular concerning True Gold taken from or based upon such documents, records and information contains a misrepresentation, any inaccuracy or material omission in True Gold's publicly disclosed information (including the information about or relating to True Gold contained in this Circular) could result in unanticipated liabilities or expenses, increase the cost of integrating the companies or adversely affect the operational and development plans of Endeavour and its results of operations and financial condition.

New Endeavour may be subject to significant capital requirements and operating risks associated with its expanded operations and its expanded portfolio of growth projects.

New Endeavour must generate sufficient internal cash flows and/or be able to utilize available financing sources to finance its growth and sustaining capital requirements. If New Endeavour does not realize satisfactory prices for the gold that it produces, it could be required to raise significant additional capital through the capital markets and/or incur significant borrowings to meet its capital requirements. These financing requirements could adversely affect New Endeavour's credit ratings and its ability to access the capital markets in the future to meet any external financing requirements New Endeavour might have. If there are significant delays in terms of when these projects are completed and producing on a commercial and consistent scale, and/or their capital costs were to be significantly higher than estimated, these events could have a significant adverse effect on New Endeavour's results of operation, cash flow from operations and financial condition.

In addition, New Endeavour's mining operations and processing and related infrastructure facilities are subject to risks normally encountered in the mining and metals industry. Such risks include, without limitation, environmental hazards, industrial accidents, labour disputes, changes in laws, technical difficulties or failures, late delivery of supplies or equipment, unusual or unexpected geological formations or pressures, cave-ins, pit-wall failures, rock falls, unanticipated ground, grade or water conditions, flooding, periodic or extended interruptions due to the unavailability of materials and *force majeure* events. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining or processing, losses and possible legal liability. Any prolonged downtime or shutdowns at New Endeavour's mining or processing operations could materially adversely affect New Endeavour's business, results of operations, financial condition and liquidity.

Risks Relating to the Business of Endeavour

For a discussion of the risks associated with Endeavour, please refer to the section in Endeavour's latest annual information form for the year ended December 31, 2015, incorporated by reference herein, entitled "*Risk Factors*".

Risks Relating to True Gold and New Endeavour

The business of the combined company will be subject to risks currently affecting the businesses of Endeavour and True Gold.

For a discussion of the businesses of Endeavour and True Gold, together with factors to consider in connection with those businesses, see the documents incorporated by reference into this Circular including Endeavour's annual information form for the year ended December 31, 2015, and True Gold's annual information form for the year ended December 31, 2015, both of which are available on their respective SEDAR profiles at www.sedar.com.

Access to finance.

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

In addition, any additional debt financing, if available, may involve financial covenants which limit New Endeavour's operations.

There can be no certainty that New Endeavour's exploration and development activities will be commercially successful.

Substantial efforts and compliance with regulatory requirements are required to establish ore reserves through drilling and analysis, to develop metallurgical processes to extract metal from the ore and, in the case of development properties, to develop and construct the mining and processing facilities and infrastructure at any size chosen for mining. Endeavour Shareholders cannot be assured that any gold reserves or mineralized material acquired or discovered will be in sufficient quantities to justify commercial operations.

The True Gold properties could be subject to regulatory risk, a portion of which Endeavour Shareholders will assume after the Arrangement and which could expose New Endeavour to significant liability, delay, suspension or termination of exploration and development efforts.

In Burkina Faso, mining is subject to regulations (including environmental regulations) which mandate, among other things, the maintenance of air and water quality as well as land reclamation. Certain environmental regulations may also impose limitations on the generation, transportation, storage and disposal of certain types of mining-generated waste. Current environmental legislation and regulation is evolving, requiring stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. Any future changes in environmental regulation, if any, may adversely affect the operations of New Endeavour, make those operations prohibitively expensive or prohibit them altogether.

It is also important to note that environmental hazards may exist on the properties in which New Endeavour may hold interests in the future that are unknown to Endeavour at the present and that have been caused by True Gold, previous owners or operators, or that may have occurred naturally. These potential environmental matters concerning the mining properties of True Gold may cause New Endeavour to be liable for remediating any damage that True Gold or a previous operator may have caused. The liability could include response costs as well as the payment of certain fines and penalties.

Endeavour may not realize the benefits of New Endeavour's growth projects.

As part of its strategy, Endeavour will continue its efforts to develop new gold projects and will have an expanded portfolio of exploration properties as a result of the Arrangement. A number of risks and uncertainties are associated with the development of these types of projects, including political, regulatory,

design, construction, labour, operating, technical and technological risks, uncertainties relating to capital and other costs and financing risks.

It is possible that actual results for New Endeavour's projects will differ from Endeavour's current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions which could reduce production below, and/or increase capital and/or operating costs above Endeavour's current estimates. If actual results are less favourable than Endeavour currently estimates, New Endeavour's business, results of operations, financial condition and liquidity could be adversely impacted.

The business of the combined company will be subject to the corporate social responsibility risks currently affecting the businesses of True Gold.

In late 2014 and early 2015, True Gold experienced a significant disruption in the construction of the Karma Project as a result of local community resistance to True Gold and the development of the mine. The disruption resulted in not only physical equipment damage, but a shutdown of construction and a delay in the schedule to project completion. Tensions with the community had been exacerbated owing to local concerns about the impact of the project on an important mosque, which is of particular cultural and heritage significance. Following extensive consultations with the Government of Burkina Faso and the local community, a Community Liaison Committee was established and, having addressed certain of the concerns, True Gold was able to recommence construction in May 2015. While the factors leading to the historical disruption and damage have been assessed by Endeavour (and its consultants) during its due diligence and appear to have been mitigated through a reformulated corporate social responsibility ("**CSR**") approach of True Gold, Endeavour expects to have to expand the CSR initiatives of True Gold and to implement a social action plan which would aim to insulate the Karma Project from further disruption. Notwithstanding its future CSR initiatives and any social action plan, there can be no guarantee that New Endeavour will not experience operational disruption, damage to property and reputation, blockade, shutdown, or local or other liability as a result of the past actions or omissions, or as a result of New Endeavour's own efforts to mitigate and remediate the local community factors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since January 1, 2015, no informed person of Endeavour or any associate or affiliate of an informed person, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect Endeavour or its subsidiaries, except:

- on November 27, 2015, Endeavour acquired (the "**Ity Acquisition**") a 55% interest in the Ity mine through the purchase of all of the shares of La Mancha West Africa from La Mancha. Pursuant to the Ity Acquisition, Endeavour issued 17,706,157 Endeavour Shares to La Mancha Africa Holding Limited ("**La Mancha Africa**"), a wholly-owned subsidiary of La Mancha. In connection with the Ity Acquisition, Mr. Naguib Sawiris joined the Endeavour Board on November 27, 2015. Mr. Sawiris is Chairman of the advisory board of La Mancha. Endeavour obtained Endeavour Shareholder approval for the Ity Acquisition and the issuance of Endeavour Shares thereunder on November 5, 2015. Full details of the Ity Acquisition are set forth in the management information circular of Endeavour dated October 1, 2015; and

- as otherwise described in this Circular.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

As at the date of this Circular, Endeavour directors and executive officers beneficially own, directly or indirectly, or exercise control or direction over, the following number of Endeavour Shares and Options:

NAME	SHARES	OPTIONS
Michael E Beckett, Director and Chairman	16,000	25,000
Wayne McManus, Director	8,000	20,000
Ian Cockerill, Director	9,400	Nil
Frank Giustra, Director	780,721[(1)]	229,660
Ian Henderson, Director	Nil	Nil
Miguel Rodriguez, Director	Nil	Nil
Sébastien de Montessus, Director and President	Nil	Nil
Naguib Sawiris, Director	Nil	Nil
Neil Woodyer, Director and Chief Executive Officer	100,712[(2)]	530,847
Vincent Benoit. VP Strategy & Business Development	Nil	Nil
Patrick Bouisset. Executive VP Exploration	Nil	14,950
Morgan Carroll, Executive VP Corporate Finance & General Counsel	17,674	110,249
Ota Hally, Chief Financial Officer	15,080	87,938
Adriaan "Attie" Roux, Chief Operating Officer	46,429	194,070
Douglas Bowlby, Executive VP Corporate Development	34,635	148,675
Jeremy Langford, Executive VP Construction Services	37,000	102,320
Richard Thomas, Executive VP Technical Services	13,940	98,580

(1) Included 150,000 Endeavour Shares held by Radcliffe Foundation, a charitable foundation controlled by Mr. Giustra.

(2) Ashdell Ltd., a company beneficially owned by a Woodyer family trust, holds 280,000 Endeavour Shares as at the date of this Circular. Ashdell is controlled by this trust which operates through an independent trustee. Mr. Woodyer has no control or direction over or beneficial interest in Ashdell Ltd. or the trust.

Other than as set out in the table above and elsewhere in this Circular, no director or executive officer of Endeavour who has held such position at any time since January 1, 2015 or any of his associates or affiliates has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

AUDITOR

Deloitte LLP is Endeavour's current auditor.

EXPERTS OF ENDEAVOUR AND TRUE GOLD

Endeavour

The audited consolidated financial statements of Endeavour comprising the consolidated statements of financial position as at December 31, 2015 and December 31, 2014, and the consolidated statements of comprehensive earnings (loss), changes in equity and cash flows for the years then ended incorporated by reference in this Circular, have been audited by Deloitte LLP, Chartered Professional Accountants, as set forth in their independent auditor's report thereon, included therein and incorporated herein by reference.

Deloitte LLP, Chartered Professional Accountants, have advised that they are independent of Endeavour within the meaning of the rules of professional conduct of the Chartered Professional Accountants in British Columbia.

With respect to: (a) technical information relating to mineral projects on properties material to Endeavour contained in this Circular and its most recently filed annual information form; and (b) reserve and resource data of New Endeavour, to the extent such properties are owned by Endeavour as of the date of this Circular, Adriaan "Attie" Roux, Chief Operating Officer of Endeavour has approved such disclosure as a "qualified person" for the purposes of NI 43-101. As of the date hereof, the foregoing individual beneficially owns, directly or indirectly, an aggregate of less than 1% of the issued and outstanding Endeavour Shares and none of the issued and outstanding True Gold Shares.

True Gold

The audited annual financial statements of True Gold as at, and for the financial years ended December 31, 2015 and 2014, incorporated by reference in this Circular, have been audited by Davidson & Company LLP, Chartered Professional Accountants, Licensed Public Accountants as set forth in their report thereon, included therein and incorporated herein by reference.

Davidson & Company LLP have advised that they are independent of True Gold within the meaning of the rules of professional conduct of the Chartered Professional Accountants in British Columbia.

Information that is of a scientific nature or technical information regarding the Karma Project is derived from a technical report titled "*Technical Report On An Updated Feasibility Study (GGI, GGII, Kao, Rambo & Nami Deposits) and a Preliminary Economic Assessment (North Kao Deposit) for the Karma Gold Project Burkina Faso, West Africa*" dated effective August 10, 2014, and executed on December 5, 2014, prepared by independent consultants and 'qualified persons' under NI 43-101, Eugene Puritch, P.Eng., Richard Sutcliffe, Ph.D., P. Geo. and Antoine Yassa, P.Geo. of P&E; Ismail Mahomed, Pr. Sci. Nat. and Peter Terbrugge, Pr. Sci. Nat. of SRK Consulting (Pty) Ltd.; Duncan John Grant-Stuart, Pr. Eng. of Knight Piésold (Pty) Ltd.; Martin Stapinsky, Ph.D., P. Geo. of Roche Ltd. Consulting Group; and Neil Senior, MSc. Mech.Eng FSAIMM of SENET. As of the date hereof, none of the aforementioned persons beneficially own directly or indirectly, an aggregate of less than 1% of the issued and outstanding True Gold Shares or Endeavour Shares. The Karma Technical Report is filed under True Gold's profile on the SEDAR website at www.sedar.com.

None of the aforementioned persons nor any directors, officers, employees and partners, as applicable, of each of the aforementioned companies and partnerships, is currently expected to be elected, appointed or employed as a director, officer or employee of Endeavour or any associate or affiliate of Endeavour.

ADDITIONAL INFORMATION

Additional information relating to Endeavour may be found under Endeavour's profile on the SEDAR website at www.sedar.com. Financial information relating to Endeavour is provided in Endeavour's comparative financial statements for year ended December 31, 2015 and related management discussion and analysis, copies of which may be requested by contacting the Corporation at investor@endeavourmining.com.

Endeavour Shareholders, employees, and other interested parties may communicate directly with the Endeavour Board through the Chairman, by writing to:

Chairman of the Board of Directors
Endeavour Mining Corporation
c/o Walkers Corporation Limited
Cayman Corporate Centre, 27 Hospital Road
George Town, Grand Cayman
Cayman Islands KY1-9008

APPROVAL OF THIS INFORMATION CIRCULAR

The Endeavour Board has approved the content of this Circular and its delivery to the Endeavour Shareholders.

BY ORDER OF THE BOARD OF DIRECTORS

"*Neil Woodyer*"
Neil Woodyer
Director and Chief Executive Officer

Dated at Monaco as of March 21, 2016.

Schedule A – Plan of Arrangement

UNDER SECTION 288 OF THE

***BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, capitalized terms used but not defined shall have the meanings ascribed to them below:

"**affiliate**" has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;

"**Arrangement Resolution**" means the resolution approving the Plan of Arrangement which is to be considered at the True Gold Meeting;

"**Amalco**" has the meaning ascribed thereto in Section 3.1(f);

"**Arrangement**" means the arrangement of True Gold under Section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 8.5 of the Arrangement Agreement or this Plan of Arrangement or made at the direction of the Court in the Final Order;

"**Arrangement Agreement**" means the arrangement agreement dated as of March 3, 2016 by and among Endeavour, Endeavour Gold and True Gold, as may be amended and restated or supplemented prior to the Effective Date;

"**BCBCA**" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**Business Day**" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia, George Town, Grand Cayman, Toronto, Ontario or the Principality of Monaco;

"**Consideration**" means the consideration to be received by the True Gold Shareholders pursuant to this Plan of Arrangement as consideration for their True Gold Shares, consisting of 0.044 of an Endeavour Share for each True Gold Share;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means any trust company, bank or other financial institution agreed to in writing by True Gold and Endeavour for the purpose of, among other things, exchanging certificates representing True Gold Shares for the Consideration in connection with the Arrangement;

"**DRS Statement**" means, in relation to Endeavour Shares or True Gold Shares, written evidence of the book entry issuance or holding of such shares issued to the holder by the transfer agent of such shares;

"**Dissent Rights**" shall have the meaning ascribed thereto in Section 4.1(a);

"**Dissenting Shareholder**" means a registered holder of True Gold Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value by True Gold for such holder's True Gold Shares;

"**Effective Date**" means the date upon which all of the conditions to the completion of the Arrangement as set out in Sections 6.1, 6.2 and 6.3 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement and all documents agreed to be delivered thereunder have been delivered;

"**Effective Time**" means 12:01 a.m. on the Effective Date;

"**Endeavour**" means Endeavour Mining Corporation, an exempted company incorporated with limited liability in the Cayman Islands;

"**Endeavour Gold**" means Endeavour Gold Corporation, an exempted company incorporated with limited liability in the Cayman Islands, and a direct wholly-owned subsidiary of Endeavour;

"**Endeavour Shares**" means the voting ordinary shares in the share capital of Endeavour of nominal or par value of $0.10;

"**Endeavour SubCo**" means an unlimited liability company to be incorporated under the laws of British Columbia and which will be a direct wholly-owned subsidiary of Endeavour Gold;

"**Endeavour SubCo Common Share**" means the common shares in the authorized share capital of Endeavour SubCo;

"**Final Order**" means the final order of the Court pursuant to Section 291 of the BCBCA, in a form acceptable to True Gold and Endeavour, each acting reasonably, approving the Arrangement, as such order may be amended by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

"**final proscription date**" shall have the meaning ascribed thereto in Section 5.5;

"**Interim Order**" means the interim order of the Court made pursuant to Section 291 of the BCBCA, providing for, among other things, the calling and holding of the True Gold Meeting, as the same may be amended by the Court with the consent of True Gold and Endeavour, each acting reasonably;

"**In-the-Money Amount**" in respect of a stock option means the amount, if any, by which the aggregate fair market value at that time of the securities subject to such stock option exceeds the aggregate exercise price of such stock option;

"**Letter of Transmittal**" means the letter of transmittal to be forwarded by True Gold to True Gold Shareholders together with the management information circular to be mailed to True Gold Shareholders in connection with the True Gold Meeting or such other equivalent form of letter of transmittal acceptable to Endeavour acting reasonably;

"**Liens**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

"**Replacement Option**" has the meaning ascribed thereto in Section 3.1(c);

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**True Gold**" means True Gold Mining Inc., a company incorporated under the laws of British Columbia;

"**True Gold Meeting**" means the special meeting of True Gold Shareholders and True Gold Optionholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

"**True Gold Option Plan**" means the rolling 10% stock option plan of True Gold effective June 15, 2015, approved by True Gold Shareholders at a meeting held on June 15, 2015;

"**True Gold Options**" means the outstanding options to purchase True Gold Shares granted under the True Gold Option Plan or the predecessor thereto which are now governed by the True Gold Option Plan;

"**True Gold Optionholders**" means the holders of True Gold Options;

"**True Gold Shareholders**" means the legal and beneficial holders of True Gold Shares and subsequent to any transfer of True Gold Shares pursuant to Section 3.1(a) and Section 3.1(b) shall be referred to as "**Former True Gold Shareholders**"; and

"**True Gold Shares**" means the common shares in the authorized share capital of True Gold. In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

For the purposes of this Plan of Arrangement, except as otherwise expressly provided:

(a) "**this Plan of Arrangement**" means this Plan of Arrangement, including the recitals and Appendices hereto, and not any particular Article, Section, Subsection or other subdivision, recital or Appendix hereof, and includes any agreement, document or instrument entered into, made or delivered pursuant to the terms hereof, as the same may, from time to time, be supplemented or amended and in effect;

(b) the words "**hereof**", "**herein**", "**hereto**" and "**hereunder**" and other word of similar import refer to this Plan of Arrangement as a whole and not to any particular Article, Section, Subsection, or other subdivision, recital or Appendix hereof;

(c) all references in this Plan of Arrangement to a designated "**Article**", "**Section**", "**Subsection**" or other subdivision hereof are references to the designated Article, Section, Subsection or other subdivision to, this Plan of Arrangement;

(d) the division of this Plan of Arrangement into Article, Sections, Subsections and other subdivisions and the insertion of headings and captions are for convenience of reference only and are not intended to interpret, define or limit the scope, extent or intent of this Plan of Arrangement or any provision hereof;

(e) a reference to a statute in this Plan of Arrangement includes all regulations, rules, policies or instruments made thereunder, all amendments to the statute, regulations, rules, policies or instruments in force from time to time, and any statutes, regulations, rules, policies or instruments that supplement or supersede such statute, regulations, rules, policies or instruments;

(f) the word "**or**" is not exclusive;

(g) the word "**including**" is not limiting, whether or not non-limiting language (such as "**without limitation**" or "**but not limited to**" or words of similar import) is used with reference thereto; and

(h) all references to "**approval**", "**authorization**" or "**consent**" in this Plan of Arrangement means written approval, authorization or consent.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of the United States and "$" refers to United States dollars.

1.6 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time in Vancouver, British Columbia unless otherwise stipulated herein.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

2.2 Binding Effect

At the Effective Time, this Plan of Arrangement shall be binding on:

(a) True Gold;

(b) all registered and beneficial True Gold Shareholders, including Dissenting Shareholders;

(c) all registered and beneficial True Gold Optionholders; and

(d) all other Persons served with notice of the final application to approve the Plan of Arrangement.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, except as otherwise noted herein, the following shall occur and shall be deemed to occur sequentially, in the following order, without any further act or formality required on the part of any person:

(a) each True Gold Share held by a Dissenting Shareholder in respect of which the True Gold Shareholder has validly exercised his, her or its Dissent Right shall be deemed to be directly transferred and assigned by such Dissenting Shareholder to True Gold (free and clear of any Liens) and cancelled, in accordance with, and for the consideration set forth in, Article 4 hereof;

(b) five minutes after the steps contemplated in Section 3.1(a), each True Gold Share (other than any True Gold Shares held by any Dissenting Shareholder) shall be deemed to be transferred and assigned to Endeavour SubCo (free and clear of any Liens) in exchange for 0.044 of an Endeavour Share;

(c) five minutes after the steps contemplated in Section 3.1(b), each True Gold Option which is outstanding and has not been duly exercised prior to the Effective Date shall be exchanged such that the former holder of such True Gold Option will receive an option (each, a "**Replacement Option**") entitling such holder to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at an exercise price per 0.044 of an Endeavour Share equal to the exercise price per True Gold Share under such True Gold Option, with each such Replacement Option exercisable for a period of (i) 180 days following the Effective Date or (ii) 12 months following the Effective Date for those True Gold Optionholders entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreement. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the aforesaid exchange of options. Accordingly, and notwithstanding the foregoing, if required, the exercise price of a Replacement Option will be adjusted such that the In-The-Money Amount of the Replacement Option immediately after the exchange does not exceed the In-The-Money Amount of the True Gold Option immediately before the exchange. All other terms and conditions of the Replacement Option will remain the same and shall be governed by the terms of the applicable True Gold Option Plan and any certificate or option agreement previously evidencing the True Gold Option shall thereafter evidence and be deemed to evidence such Replacement Option;

(d) with respect to each True Gold Share transferred and assigned to Endeavour SubCo in accordance with Section 3.1(a) or Section 3.1(b) hereof:

(i) the registered holder thereof shall cease to be the registered holder of such True Gold Share and the name of such registered holder shall be removed from the register of True Gold Shareholders as of the Effective Time;

(ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such True Gold Shares; and

(iii) Endeavour SubCo will be the holder of all of the outstanding True Gold Shares and the register of True Gold Shareholders shall be revised accordingly;

(e) five minutes after the steps contemplated in Section 3.1(c), the stated capital in respect of the True Gold Shares shall be reduced to an aggregate of $1.00 without any repayment of capital in respect thereof;

(f) five minutes after the steps contemplated in Section 3.1(e), True Gold and Endeavour SubCo shall merge to form one corporate entity ("**Amalco**") with the same effect as if they had amalgamated under Section 269 of the BCBCA;

(g) from and after the Effective Date, at the time of the step contemplated in Section 3.1(f):

(i) Amalco will own and hold the property of True Gold and Endeavour SubCo and, without limiting the provisions hereof, all rights of creditors or others will be unimpaired by such amalgamation, and all liabilities and obligations of True Gold and Endeavour SubCo, whether arising by contract or otherwise, may be enforced against Amalco to the same extent as if such obligations had been incurred or contracted by it;

(ii) Amalco will continue to be liable for all of the liabilities and obligations of True Gold and Endeavour SubCo;

(iii) all rights, contracts, permits and interests of True Gold and Endeavour SubCo will continue as rights, contracts, permits and interests of Amalco as if True Gold and Endeavour SubCo continued and, for greater certainty, the amalgamation will not constitute a transfer or assignment of the rights or obligations of either of True Gold or Endeavour SubCo under any such rights, contracts, permits and interests;

(iv) any existing cause of action, claim or liability to prosecution will be unaffected;

(v) a civil, criminal or administrative action or proceeding pending by or against either True Gold or Endeavour SubCo may be continued by or against Amalco;

(vi) a conviction against, or ruling, order or judgment in favour of or against either True Gold or Endeavour SubCo may be enforced by or against Amalco;

(vii) Endeavour Gold as the holder of the Endeavour SubCo Common Shares shall receive on the amalgamation one common share in the authorized share structure of Amalco in exchange for each Endeavour SubCo Common Share previously held and all of the issued and outstanding True Gold Shares will be cancelled without repayment of capital in respect thereof;

(viii) the name of Amalco shall be "True Gold Mining Inc.";

(ix) Amalco shall be authorized to issue an unlimited number of common shares without par value;

(x) the articles and notice of articles of Amalco shall be substantially in the form of the articles and notice of articles of Endeavour SubCo;

(xi) the first annual general meeting of Amalco or resolutions in lieu thereof shall be held within 18 months from the Effective Date;

(xii) the first directors of Amalco following the amalgamation shall be Neil Woodyer, Ota Hally and Morgan Carroll;

(xiii) the stated capital of the common shares of Amalco will be an amount equal to the paid-up capital, as that term is defined in the Tax Act, attributable to the Endeavour SubCo Common Shares immediately prior to the amalgamation; and

(xiv) the share capital of Endeavour SubCo immediately prior to the amalgamation shall be preserved as the share capital of Amalco after the amalgamation; and

(h) the exchanges and cancellations provided for in this Section 3.1 will be deemed to occur on the Effective Date, notwithstanding certain procedures related thereto may not be completed until after the Effective Date.

3.2 Post-Effective Time Procedures

Subject to the provisions of Article 5 hereof, and upon return of a properly completed Letter of Transmittal by a registered Former True Gold Shareholder together with certificates or DRS Statements representing True Gold Shares and such other documents as the Depositary may require, Former True Gold Shareholders shall be entitled to receive delivery of the DRS Statements representing the Endeavour Shares to which they are entitled pursuant to Section 3.1(b).

3.3 No Fractional Endeavour Shares

In no event shall any Former True Gold Shareholder be entitled to a fractional Endeavour Share. If the aggregate number of Endeavour Shares otherwise issuable to a Former True Gold Shareholder pursuant to Section 3.1(b) hereof would result in a fraction of an Endeavour Share being issuable, the number of Endeavour Shares to be issued to such Former True Gold Shareholder shall be rounded down to the nearest whole Endeavour Share. No Former True Gold Shareholder shall be entitled to any compensation in respect of any fractional Endeavour Share.

ARTICLE 4
DISSENT RIGHTS

4.1 Rights of Dissent

(a) Pursuant to the Interim Order, True Gold Shareholders may exercise rights of dissent ("**Dissent Rights**") under Division 2 of Part 8 of the BCBCA, as modified by this Article 4, the Interim Order and the Final Order, with respect to True Gold Shares in connection with the Arrangement, provided that the notice of dissent contemplated by Section 242 of the BCBCA must be received by True Gold, c/o Blake, Cassels & Graydon LLP, Suite 2600, 595 Burrard Street, Vancouver, British Columbia, Canada V7X 1L3, Attention: Sean Boyle, by 9:00 a.m. (Vancouver time) on the date that is at least two Business Days prior to the date of the True Gold Meeting or any date to which the True Gold Meeting may be postponed or adjourned and provided further that holders who exercise such Dissent Rights who:

(i) are ultimately entitled to be paid fair value for their True Gold Shares by True Gold (with True Gold funds which are not directly or indirectly provided by Endeavour or any of its affiliates), which fair value, notwithstanding anything to the contrary contained in the BCBCA, shall be determined as of the close of business on the day before the Effective Date, shall be deemed to have transferred their True Gold Shares to True Gold for cancellation in exchange for the right to be paid fair value for such True Gold Shares, and True Gold shall thereupon be obligated to pay the amount therefor determined to be the fair value of such True Gold Shares; and

(ii) are ultimately not entitled, for any reason, to be paid fair value for their True Gold Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of True Gold Shares that exchanges its True Gold Shares for Endeavour Shares as contemplated in Section 3.1(b) and shall be entitled to receive only the Consideration contemplated in Section 3.1(b) hereof that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights.

(b) In no circumstances shall True Gold, Endeavour, Endeavour SubCo, Endeavour Gold or any other person be required to recognize a person purporting to exercise Dissent Rights unless such person is a registered holder of those True Gold Shares in respect of which such rights are sought to be exercised.

(c) For greater certainty, in no case shall True Gold, Endeavour, Endeavour SubCo, Endeavour Gold or any other person be required to recognize Dissenting Shareholders as holders of True Gold Shares after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the register of True Gold Shareholders as of the Effective Time. In addition to any other restrictions under Section 238 of the BCBCA, and for greater certainty, none of the following shall be entitled to exercise Dissent Rights: (i) True Gold Optionholders; and (ii) True Gold Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution.

ARTICLE 5
DELIVERY OF ENDEAVOUR SHARES

5.1 Delivery of Endeavour Shares

(a) Upon surrender to the Depository for cancellation of a certificate or DRS Statement that immediately before the Effective Time represented one or more outstanding True Gold Shares together with such other documents and instruments as would have been required to effect the transfer of the True Gold Shares formerly represented by such certificate or DRS Statement under the BCBCA and the articles of True Gold and such additional documents and instruments as the Depository may reasonably require, the holder of such surrendered certificate or DRS Statement shall be entitled to receive in exchange therefor, and the Depository shall deliver to such holder following the Effective Time, a DRS Statement representing the

Endeavour Shares that such holder is entitled to receive in accordance with Section 3.1(b).

(b) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(a) hereof, each certificate or DRS Statement that immediately prior to the Effective Time represented one or more True Gold Shares shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate or DRS Statement is entitled to receive in accordance with Section 3.1 hereof.

5.2 Lost Certificates

If any certificate, that immediately prior to the Effective Time represented one or more outstanding True Gold Shares that were exchanged for the Consideration in accordance with Section 3.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive in accordance with Section 3.1 hereof. When authorizing such delivery of Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such Consideration is to be delivered shall, as a condition precedent to the delivery of such Consideration, give a bond satisfactory to Endeavour and the Depositary in such amount as Endeavour and the Depositary may direct, or otherwise indemnify Endeavour and the Depositary in a manner satisfactory to Endeavour and the Depositary, against any claim that may be made against Endeavour or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of True Gold.

5.3 Distributions with Respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to Endeavour Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding True Gold Shares unless and until the holder of such certificate shall have complied with the provisions of Section 5.1 or Section 5.2 hereof. Subject to applicable Law and to Section 5.4 hereof, at the time of such compliance, there shall, in addition to the delivery of Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Endeavour Shares.

5.4 Withholding Rights

Endeavour, Endeavour SubCo, Endeavour Gold, True Gold and the Depository shall be entitled to deduct and withhold from all dividends or other distributions or payments otherwise payable or allocable to any Former True Gold Shareholder, Dissenting Shareholder or other person, other than the payment to a Former True Gold Shareholder pursuant to Section 3.1(b) hereof (an "**Affected Person**") such amounts as Endeavour, Endeavour SubCo, Endeavour Gold, True Gold or the Depository is required or permitted

to deduct and withhold with respect to such payment or allocation under the Tax Act or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended ("**Withholding Obligations**"). To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Affected Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Endeavour, Endeavour SubCo, Endeavour Gold, True Gold and the Depository shall also have the right to:

(a) withhold and sell, on their own account or through a broker (the "**Broker**"), and on behalf of any Affected Person; or

(b) require the Affected Person to irrevocably direct the sale through a Broker and irrevocably direct the Broker pay the proceeds of such sale to True Gold, the Depositary or Endeavour as appropriate (and, in the absence of such irrevocable direction, the Affected Person shall be deemed to have provided such irrevocable direction);

such number of Endeavour Shares delivered or deliverable to such Affected Person pursuant to the Arrangement Agreement as is necessary to produce sale proceeds (after deducting commissions payable to the Broker and other costs and expenses) sufficient to fund any Withholding Obligations. Any such sale of Endeavour Shares shall be affected on a public market and as soon as practicable following the Effective Date. None of Endeavour, Endeavour SubCo, Endeavour Gold, True Gold, the Depository or the Broker will be liable for any loss arising out of any sale of such Endeavour Shares, including any loss relating to the manner or timing of such sales, the prices at which the Endeavour Shares are sold or otherwise.

5.5 Limitation and Proscription

To the extent that a Former True Gold Shareholder shall not have complied with the provisions of Section 5.1 or Section 5.2 hereof on or before the date that is six (6) years after the Effective Date (the "**final proscription date**"), then the Consideration that such Former True Gold Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the Consideration to which such Former True Gold Shareholder was entitled, shall be delivered to Endeavour by the Depositary and the Endeavour Shares forming part of the Consideration shall be deemed to be cancelled, and the interest of the Former True Gold Shareholder in such Endeavour Shares (and any dividend or other distribution referred to in Section 5.3 hereof) to which it was entitled shall be terminated as of such final proscription date.

5.6 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens of any kind.

5.7 Illegality of Delivery of Endeavour Shares

Notwithstanding the foregoing, if it appears to Endeavour that it would be contrary to applicable law to issue Endeavour Shares pursuant to the Arrangement to a person that is not a resident of Canada or the United States, the Endeavour Shares that otherwise would be issued to that person will be issued and delivered to the Depositary for the sale by the Depositary on behalf of that person. The Endeavour Shares delivered to the Depositary will be pooled and sold as soon as practicable after the Effective Date, on such dates and at such prices as the Depositary determines in its sole discretion. The Depositary shall not be obliged to seek or obtain a minimum price for any of the Endeavour Shares sold by it. Each such person will receive a pro rata share of the cash proceeds from the sale of the Endeavour Shares by the Depositary (less commissions and other reasonable expenses incurred in connection with the sale and any amount withheld in respect of Canadian taxes) in lieu of the Endeavour Shares. The net proceeds will be remitted in the same manner as set forth in this Article 5. None of Endeavour, Endeavour SubCo, Endeavour Gold, True Gold or the Depositary will be liable for any loss arising out of any such sales.

5.8 Paramountcy

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all True Gold Shares and True Gold Options, issued prior to the Effective Time; (ii) the rights and obligations of the registered holders of True Gold Shares and True Gold Options, and True Gold, Endeavour, the Depository and any transfer agent or other depositary in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any True Gold Shares or True Gold Options, shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) True Gold reserves the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided, however, that each such amendment, modification or supplement must be: (i) set out in writing; (ii) agreed to in writing by Endeavour and True Gold; (iii) filed with the Court and, if made following the True Gold Meeting, approved by the Court; and (iv) communicated to holders or former holders of True Gold Shares and True Gold Options if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by True Gold at any time prior to the True Gold Meeting; provided, however, that Endeavour shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the True Gold Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the True Gold Meeting shall be effective only if: (i) it is consented to in writing by each of Endeavour and True Gold; (ii) it is filed with the Court (other than amendments contemplated in Section 6.1(d), which shall not require such filing) and (iii) if required by the Court, it is consented to by holders of True Gold Shares and True Gold Options voting in the manner directed by the Court.

(d) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out therein.

Schedule B – Unaudited Pro Forma Condensed Consolidated Financial Statements

ENDEAVOUR MINING CORPORATION

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As at and for the year ended December 31, 2015

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PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited - Expressed in Thousands of United States Dollars)

As at December 31, 2015

	Endeavour Mining Corporation	True Gold Mining Inc.	Note 6	Pro forma adjustments	Pro forma consolidated
ASSETS					
Current					
Cash	$ 109,519	$ 5,143	(e)	$ 61,595	$ 176,257
Cash - restricted	4,824	-		-	4,824
Trade and other receivables	13,045	778		-	13,823
Income taxes receivable	2,945	-		-	2,945
Inventories	93,939	2,983		-	96,922
Prepaid expenses and other	12,640	520		-	13,160
	236,912	9,424		61,595	307,931
Mining interests	740,756	116,893	(c,d)	102,295	959,944
Deferred income taxes	70,116	-		-	70,116
Other long term assets	6,310	298		-	6,608
	$ 1,054,094	$ 126,615		$ 163,890	$ 1,344,599
LIABILITIES					
Current					
Trade and other payables	127,581	14,714	(a,b)	13,553	155,848
Current portion of finance lease obligations	4,394	-		-	4,394
Current portion of derivative financial liabilities	5,463	-		-	5,463
Current portion of financial liabilities	-	13,951	(d)	(13,951)	-
Income taxes payable	16,061	-		-	16,061
	153,499	28,665		(398)	181,766
Finance lease obligations	9,025	-		-	9,025
Long-term debt	225,582	-		-	225,582
Financial liabilities	-	43,305	(d)	(43,305)	-
Provisions	38,862	1,402		-	40,264
Deferred income taxes	30,014	-	(h)	17,662	47,676
	456,982	73,372		(26,041)	504,313
EQUITY					
Share capital	1,071,088	120,896	(e,f,g)	109,585	1,301,569
Equity reserve	41,966	7,885	(f,g)	(1,984)	47,867
Retained earnings	(548,951)	(74,862)	(a,g)	62,233	(561,580)
Equity attributable to shareholders of the Corporation	564,103	53,919		169,834	787,856
Non-controlling interests	33,009	(676)	(i)	20,097	52,430
Total equity	597,112	53,243		189,931	840,286
	$ 1,054,094	$ 126,615		$ 163,890	$ 1,344,599

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF EARNINGS

(Unaudited - Expressed in Thousands of United States Dollars, Except Per Share and Share Information)

For the year ended December 31, 2015

	Endeavour Mining Corporation	True Gold Mining Inc. (Note 4)	Note 6	Pro forma adjustments	Pro forma consolidated
Revenues					
Gold revenue	601,376	-		-	601,376
Cost of sales					
Operating expenses	381,954	-		-	381,954
Depreciation and depletion	83,655	120		-	83,775
Royalties	28,820	-		-	28,820
Earnings from mine operations	106,947	(120)		-	106,827
Corporate costs	21,145	7,047		-	28,192
Acquisition costs	13,099	-		-	13,099
Share-based payments	4,240	899		-	5,139
Exploration	1,498	1,776		-	3,274
Earnings (loss) from operations	66,965	(9,842)		-	57,123
Other income (expenses)					
Gains (losses) on financial instruments	9,472	9,922	(d)	(10,035)	9,359
Finance costs	(30,452)	-		-	(30,452)
Other expenses	(3,430)	(4,850)		-	(8,280)
	(24,410)	5,072		(10,035)	(29,373)
Earnings (loss) before taxes	42,555	(4,770)		(10,035)	27,750
Current income taxes expense	(4,262)	-		-	(4,262)
Deferred income taxes (expense) recovery	(2,692)	-		-	(2,692)
Net earnings (loss)	35,601	(4,770)		(10,035)	20,796
Attributable to:					
Shareholders of Endeavour Mining Corporation	18,227	(4,271)		(10,035)	3,921
Non-controlling interests	17,374	(499)		-	16,875
Net earnings (loss)	35,601	(4,770)		(10,035)	20,796
Net earnings (loss) per share					
Basic earnings (loss) per share (Note 8)	0.42	(0.01)			0.06
Diluted earnings (loss) per share (Note 8)	0.42	(0.01)			0.06

1. DESCRIPTION OF THE TRANSACTION

The accompanying unaudited pro forma condensed consolidated financial statements of Endeavour Mining Corporation ("Endeavour") have been prepared to give effect to the transaction contemplated by the arrangement agreement (the "Arrangement Agreement") dated March 3, 2016 between Endeavour, its wholly-owned subsidiary Endeavour Gold Corporation ("Endeavour Gold") and True Gold Mining Inc. ("True Gold") pursuant to which Endeavour will indirectly acquire all of the issued and outstanding common shares of True Gold (the "True Gold Shares") by way of a court-approved plan of arrangement (the "True Gold Transaction").

Under the terms of the Arrangement Agreement, all outstanding True Gold Shares (other than True Gold Shares held by dissenting shareholders) will be transferred to a wholly-owned subsidiary of Endeavour Gold and cancelled without any repayment of capital in respect thereof and the former holders of such True Gold Shares will receive 0.044 of an ordinary share of Endeavour (each whole share, an "Endeavour Share") for each True Gold Share held. In addition, all outstanding options to acquire True Gold Shares (the "True Gold Options") will be terminated and the former holders of such True Gold Options will receive options to acquire Endeavour Shares (the "Replacement Options") entitling such former holders to receive 0.044 of an Endeavour Share for each True Gold Share previously issuable under such True Gold Option, at an exercise price per 0.044 of an Endeavour Share equal to the exercise price per True Gold Share under such True Gold Option. Each Replacement Option will be exercisable for a period of: (i) 180 days following the Effective Date; or (ii) 12 months following the Effective Date for certain holders of True Gold Options entitled to exercise their True Gold Options for such longer period of time pursuant to their existing employment or similar agreements with True Gold. In connection with the True Gold Transaction, each outstanding deferred share unit of True Gold (a "True Gold DSU") and each outstanding restricted share unit of True Gold (a "True Gold RSU") will, in accordance with the terms of the relevant plan governing such True Gold DSUs and True Gold RSUs, be settled through the issuance of True Gold Shares immediately prior to the completion of the True Gold Transaction, such that the former holders of True Gold DSUs and True Gold RSUs will participate in the True Gold Transaction on the same terms as the True Gold Shareholders.

Following completion of the True Gold Transaction, all outstanding stock appreciation rights of True Gold (the "True Gold SARs") will, in accordance with the terms of the True Gold SAR agreements, entitle the holders thereof to receive on exercise a cash amount equal to the closing price of the Endeavour Shares on the Toronto Stock Exchange ("TSX") on the day immediately before the exercise multiplied by 0.044, less CAD$0.19, and will be exercisable until February 27, 2017.

In connection with and subject to completion of the True Gold Transaction, Endeavour's largest shareholder with 30% ownership, La Mancha Holding S.àr.l ("La Mancha"), has committed to purchase 7,546,775 Endeavour Shares at a price of CAD$10.94 per share for proceeds to Endeavour of approximately $61.6 million (CAD$82.6 million) pursuant to the terms of a subscription agreement dated March 3, 2016 between Endeavour and La Mancha (the "La Mancha Placement").

Upon closing of the True Gold Transaction and the La Mancha Placement, Endeavour shareholders and True Gold shareholders will own approximately 79% and 21% of the pro-forma company, respectively, on an issued share basis.

In connection with the Arrangement Agreement, Endeavour has provided a $15 million convertible bridge loan to True Gold to provide financing as True Gold completes its Karma Project. The convertible bridge loan has a term of one year and incurs interest from the date of draw-down at a rate of LIBOR plus 4%.

Based on the closing price of Endeavour Shares on the TSX of CAD$12.87 on March 3, 2016, the offer implies consideration of CAD$0.57 per True Gold Share which represents a premium of 43% to the closing price of True Gold Shares of CAD$0.395 on the TSX Venture Exchange ("TSX-V") on March 3, 2016 and a premium of 33% based on the volume weighted average prices for the 20-day period ending on March 3, 2016, on the TSX and TSX-V respectively. The implied equity value of the True Gold Transaction is equal to $168.9 million (CAD$226.4 million). The final transaction value will be determined upon closing of the True Gold Transaction.

The accompanying unaudited pro forma condensed consolidated financial statements of Endeavour have been prepared to give effect to the True Gold Transaction and the La Mancha Placement.

2. BASIS OF PREPARATION

The unaudited pro forma condensed consolidated statement of earnings for the year ended December 31, 2015, combines the historical consolidated statement of comprehensive loss of True Gold and the historical statement of comprehensive earnings of Endeavour to give effect to the True Gold Transaction as if it had occurred on January 1, 2015.

The unaudited pro forma condensed consolidated statement of financial position as at December 31, 2015 combines the historical consolidated statement of financial position of Endeavour, as at that date, and the historical consolidated statement of financial position of True Gold as at December 31, 2015, to give effect to the True Gold Transaction as if it had occurred on December 31, 2015.

The unaudited pro forma condensed consolidated financial statements were based on and should be read in conjunction with the following:

- Audited consolidated financial statements of Endeavour for the year ended December 31, 2015, and the accompanying notes; and the
- Audited consolidated financial statements of True Gold for the year ended December 31, 2015, and the accompanying notes.

The historical consolidated financial statements of Endeavor and True Gold have been adjusted to give effect to the following pro forma events:

- Those that are directly attributable to the True Gold Transaction;
- Those that are factually supportable; and
- Those with respect to the pro forma consolidated statements of earnings expected to have a continuing impact on the consolidated results.

The unaudited pro forma condensed consolidated financial statements have been presented for informational purposes only. The pro forma information is not necessarily indicative of what Endeavor's financial position or financial performance actually would have been had the True Gold

Transaction been completed as of the dates indicated and does not purport to project the future financial position or operating results of Endeavor.

The unaudited pro forma condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") effective as of December 31, 2015.

The True Gold Transaction is considered to be a business combination under IFRS 3 – *Business combinations* ("IFRS 3"). The unaudited pro forma condensed consolidated financial statements have been prepared using the acquisition method of accounting in accordance with IFRS 3. Accordingly, the purchase price calculation and purchase price allocation are dependent upon fair value estimates and assumptions as at the True Gold Transaction date. There are instances where adequate information is not available at the time of the preparation of these unaudited pro forma condensed consolidated financial statements to perform an estimate of fair value. Endeavor will finalize all amounts as it obtains the information necessary to complete the measurement process, which can be no later than one year from the True Gold Transaction date. Accordingly, pro forma adjustments contained herein are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed consolidated financial statements. Differences between preliminary estimates and final amounts may occur and these differences could be material to the accompanying unaudited pro forma condensed consolidated financial statements of Endeavor and Endeavour's future performance and financial position.

These unaudited pro forma condensed consolidated financial statements are presented for illustrative purposes only and do not reflect the additional savings or costs that may result from the True Gold Transaction. There can be no assurance that cost savings and synergies will be achieved; however, if achieved, these could result from the reduction of overhead and elimination of duplicative functions. Similarly, no amounts have been included in the purchase price allocation for the estimated costs to be incurred to achieve savings or other benefits of the transaction.

3. HISTORICAL CONSOLIDATED FINANCIAL STATEMENTS

a) True Gold

In order to give pro forma effect to the True Gold Transaction on the historical consolidated statements of financial position and consolidated statement of earnings of Endeavour as at and for the year ended December 31, 2015, True Gold's historical consolidated statement of financial position as at December 31, 2015 and consolidated statement of comprehensive loss for the year ended December 31, 2015, have been adjusted to give effect to the items that would have been settled had they occurred as of December 31, 2015.

These calculated results are not historical financial information and are the best estimate for that period for which no public information was released. Actual information may be substantially different from calculated information.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These unaudited pro forma condensed consolidated financial statements have been compiled using the significant accounting policies as set out in the consolidated financial statements of Endeavour as at December 31, 2015. Management of Endeavour has determined, based on their initial assessment, that there are no significant differences in basis of presentation and accounting policies between the two companies, except as noted below and in Note 6(d).

Pro forma adjustments were made as described in note 6 and are necessary for the relevant items of True Gold's consolidated financial statements to conform to the accounting policies used by Endeavour in the preparation of its consolidated financial statements upon completion of the True Gold Transaction. Endeavour is currently evaluating the impact of potential changes in accounting policies and have therefore not included any specific adjustments in the pro forma unaudited condensed consolidated financial statements for such matters, except as noted in Note 6.

In order to comply with Endeavour's presentation of the statement of comprehensive earnings (loss), the presentation of the following items was adjusted as follows:

- Salaries and benefits ($4.4 million), office and general ($1.5 million), professional fees ($0.5 million), travel and accommodation ($0.4 million), investor relations, promotion and advertising ($0.2 million), and interest and charges ($0.01 million) included in corporate costs;
- Write-off of damaged equipment ($5.1 million), costs incurred during suspended construction ($1.2 million), recovery of insurance proceeds ($1.5 million) included in other expenses; and
- Gain (loss) on foreign exchange ($0.2 million), change in fair value of financial liability ($10.0 million), change in fair value of financial assets ($0.5 million loss) and interest and other income ($0.2 million) included in gain on financial instruments.

5. PURCHASE PRICE ALLOCATION

True Gold constitutes a business as defined by IFRS 3, and consequently, Endeavour has applied the principles of IFRS 3 in accounting for the acquisition of 100% of the issued True Gold Shares.

A summary of the preliminary purchase price to the acquired assets and liabilities assumed is as follows:

Endeavour purchase consideration:		
Fair value estimate of 17,589,274 Endeavour Shares	$	168,886
Fair value estimate of Replacement Options		5,901
Total consideration	**$**	**174,787**

The purchase price consideration reflects the 398,841,228 True Gold Shares outstanding as of March 3, 2016, the date of the Arrangement Agreement, together with the 915,000 True Gold Shares issuable immediately prior to completion of the True Gold Transaction in settlement of the 270,000 True Gold DSUs and 645,000 True Gold RSUs outstanding as of March 3, 2016, and 30,817,602 True Gold Shares issuable upon the exercise of the 30,817,602 True Gold Options outstanding as of March 3, 2016, the date of the Arrangement Agreement. For purposes of pro forma presentation, all True Gold DSUs and True Gold RSUs outstanding as of March 3, 2016 were converted into Endeavour Shares and all True Gold Options outstanding as of March 3, 2016 were converted into Replacement Options.

Weighted average assumptions and ranges used in the Black-Scholes valuation calculations of the fair value of the options are as follows:

Endeavour closing share price March 3, 2016 (CAD$)		$12.87
Exercise price (CAD$)		$0.19-$1.38
Expected volatility		63.8 - 71.3%
Expected life		0.5 - 1 years
Expected dividend yield		0.00%
Risk-free interest rate		0.49 - 0.50%
Stock option conversion ratio		0.044
Fair value (CAD$)	$	7,909
CAD$ to USD$ exchange rate March 3, 2016		0.7460
Fair value (USD$)	$	5,901

The preliminary purchase price has been allocated to the following identifiable assets and liabilities based on their estimated fair values as of December 31, 2015.

		Pro forma presentation US$
Cash and cash equivalents	$	5,143
Long-term receivable		298
Mining interests		219,189
Net working capital acquired (excluding cash)		(11,358)
Reclamation provision		(1,402)
Non-controlling interest		(19,421)
Deferred income tax liability		(17,662)
Total net assets acquired	**$**	**174,787**

For the purposes of these unaudited pro forma condensed consolidated financial statements, there was no excess of the total consideration over the net identifiable assets to be acquired included as goodwill. The estimate of the fair value of mineral interests is preliminary and is subject to change. The final purchase price and the fair value of the net assets to be acquired will ultimately be determined after the closing of the True Gold Transaction. Therefore, it is likely that the purchase prices, including share consideration, and the fair values of assets acquired and liabilities assumed will vary from those shown above. The actual fair value of the assets and liabilities may differ materially from the amounts disclosed above in the preliminary pro forma purchase price allocation because of changes in share prices and fair values, as further analysis is completed.

6. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma condensed consolidated financial statements reflect the following assumptions and adjustments to give effect to the True Gold Transaction, as if the True Gold Transaction had occurred on December 31, 2015 for the consolidated statement of financial position and January 1, 2015, for the consolidated statement of earnings. Assumptions relating to the share price of Endeavor are based on the date of the Arrangement Agreement, being March 3, 2016. Assumptions and adjustments made are as follows:

a) An adjustment to reflect the liability of expected change of control payments, severance cost and other transaction costs of $12.6 million;
b) An adjustment to reflect the fair value of 4,015,000 True Gold SARs (adjusted for 200,000 True Gold SARs expired subsequent to December 31, 2015) recognized as a liability of $0.9 million, based on the estimated stock price of CAD$0.57, less CAD$0.19, and CAD to USD exchange rate of $0.7461;
c) An adjustment to reflect the fair value of the Karma project at the acquisition date of $219.2 million;
d) An adjustment to reflect the decrease in the derivative financial liabilities of True Gold at the acquisition date. The financial liabilities relate to the streaming arrangement that True Gold has with Franco-Nevada Corporation and Sandstorm Gold Inc., whereby True Gold is obligated to

deliver 100,000 ounces of gold over five years in exchange for $100 million in funding. As at December 31, 2015, True Gold had drawn down $84.5 million. For the purposes of these pro forma condensed consolidated financial statements, Endeavour has assumed that the streaming arrangement, as acquired, will be reflected in the fair value of the mineral interest and is not a derivative financial liability as the Company will meet the requirements of the streaming arrangement through its own production. A fair value gain of $10.0 million recognized by True Gold in the year ended December 31, 2015, has been reversed due to the change in accounting treatment.

e) An adjustment to recognize issuance of 7,546,775 Endeavour Shares to La Mancha for proceeds of $61.6 million as part of the La Mancha Placement in conjunction with the True Gold Transaction;
f) An adjustment to reflect the issuance of 17,589,274 million Endeavour Shares with a fair value of $168.9 million and the issuance of approximately 1.4 million Replacement Options with a fair value of $5.9 million, based on the True Gold Shares and True Gold Options outstanding as of March 3, 2016, the date of the Arrangement Agreement.
g) An adjustment to eliminate the equity of True Gold;
h) An adjustment to reflect the deferred income tax impact of the above adjustments; and
i) An adjustment to reflect the above adjustments on non-controlling interest at the date of acquisition based on their proportionate share of the recognized amounts of True Gold's identifiable net assets.

7. PRO FORMA SHARE CAPITAL

	Number	Amount
Endeavour Shares	59,040,392 $	1,071,088
Endeavour Shares issued under the True Gold Transaction (Note 6 (f))	17,589,274	168,886
Endeavour Shares issued to La Mancha (Note 6 (e))	7,546,775	61,595
Pro forma share capital	**84,176,441 $**	**1,301,569**

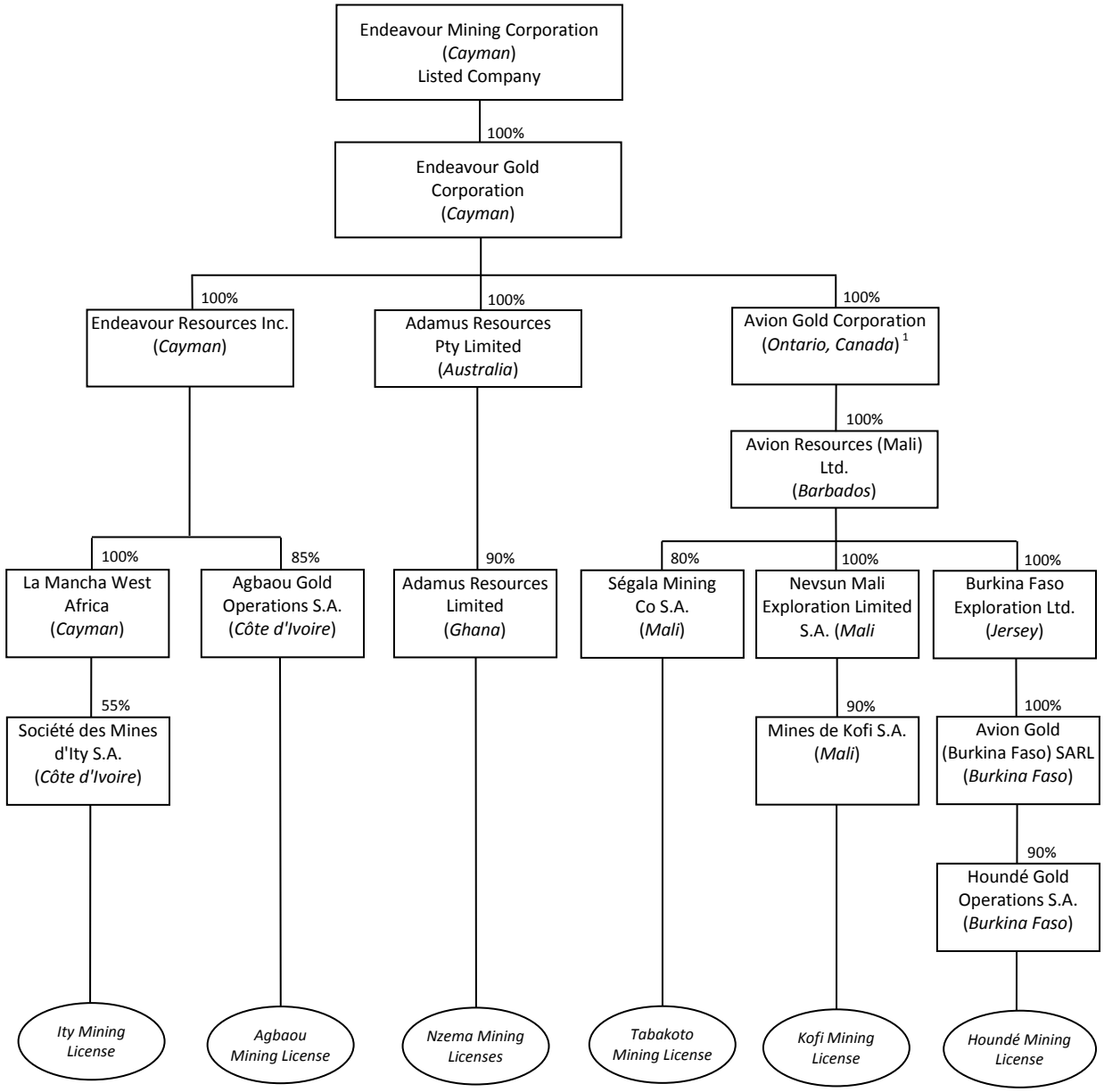
8. PRO FORMA EARNINGS PER SHARE

For the purposes of the unaudited pro forma condensed consolidated financial statements, the earnings per share has been calculated using the weighted average number of shares which would have been outstanding as at December 31, 2015, after giving effect to the True Gold Transaction as if it had occurred on January 1, 2015.

		December 31, 2015
Endeavour actual weighted average common shares outstanding		42,963,687
Endeavour Shares issued under the True Gold Transaction[(1)]		17,589,274
Endeavour Shares issued to La Mancha		7,546,775
Pro forma weighted average Endeavour Shares outstanding - Basic		**68,099,736**
Endeavour actual weighted average common shares outstanding		42,967,068
Endeavour Shares issued under the True Gold Transaction[(1)]		17,589,274
Endeavour Shares issued to La Mancha		7,546,775
Replacement Options[(1)]		1,355,974
Pro forma weighted average Endeavour Shares outstanding - Diluted		**69,459,091**
Pro forma Endeavour earnings	$	3,921
Pro forma Endeavour earnings per share - basic	**$**	**0.06**
Pro forma Endeavour earnings per share - diluted	**$**	**0.06**

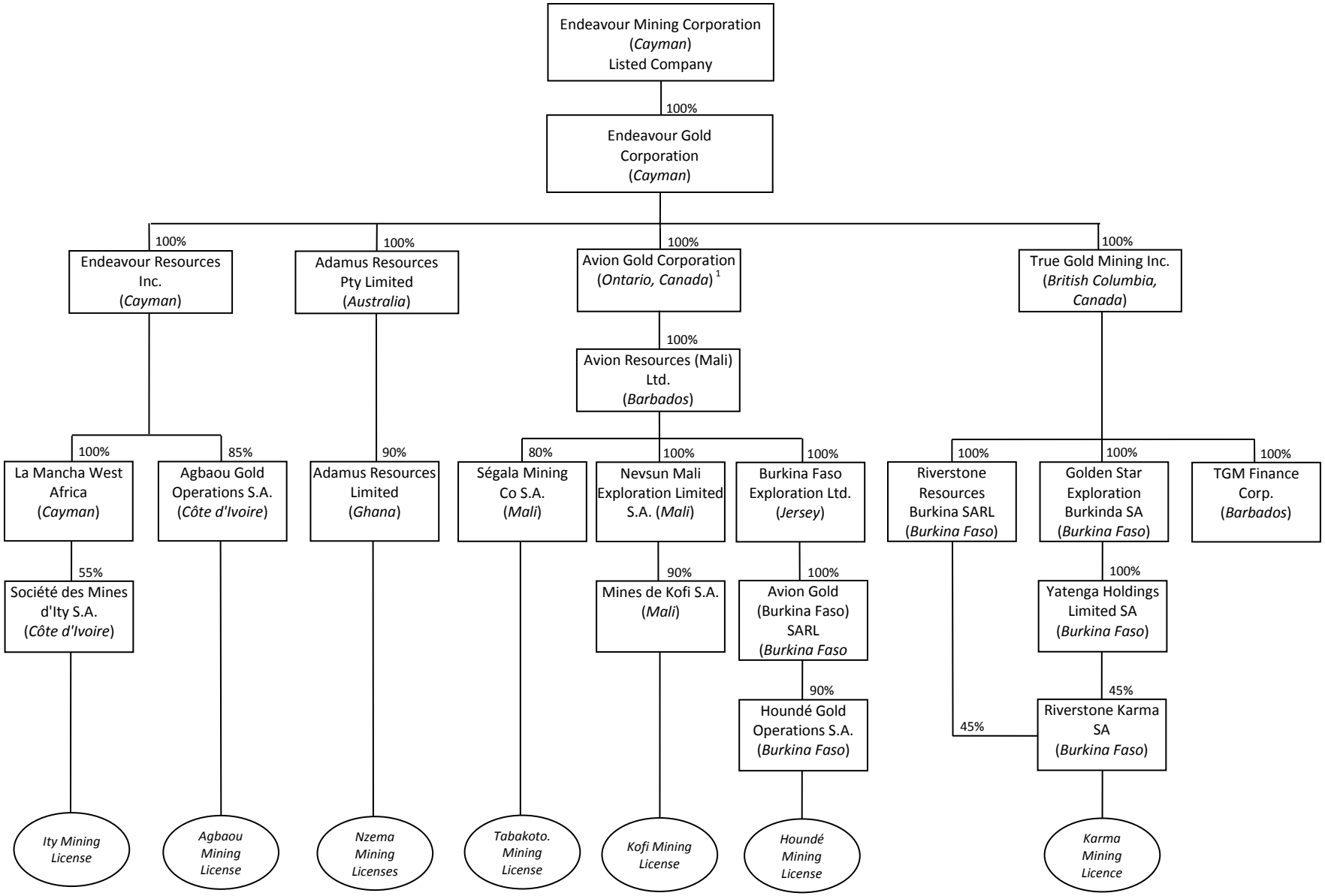
[(1)] As at March 3, 2016, the date of the Arrangement Agreement

Schedule C – Organizational Chart of Endeavour



1 Non-voting shares in the capital of Avion are outstanding and are exchangeable on their terms for Endeavour Shares.

Schedule D – Post-Arrangement Organizational Chart of New Endeavour



1 Non-voting shares in the capital of Avion are outstanding and are exchangeable on their terms for New Endeavour Shares.

Any questions and requests for assistance may be directed to Endeavour Mining Corporation's Proxy Solicitor:



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